



저작자표시-비영리-변경금지 2.0 대한민국

이용자는 아래의 조건을 따르는 경우에 한하여 자유롭게

- 이 저작물을 복제, 배포, 전송, 전시, 공연 및 방송할 수 있습니다.

다음과 같은 조건을 따라야 합니다:



저작자표시. 귀하는 원저작자를 표시하여야 합니다.



비영리. 귀하는 이 저작물을 영리 목적으로 이용할 수 없습니다.



변경금지. 귀하는 이 저작물을 개작, 변형 또는 가공할 수 없습니다.

- 귀하는, 이 저작물의 재이용이나 배포의 경우, 이 저작물에 적용된 이용허락조건을 명확하게 나타내어야 합니다.
- 저작권자로부터 별도의 허가를 받으면 이러한 조건들은 적용되지 않습니다.

저작권법에 따른 이용자의 권리는 위의 내용에 의하여 영향을 받지 않습니다.

이것은 [이용허락규약\(Legal Code\)](#)을 이해하기 쉽게 요약한 것입니다.

[Disclaimer](#)

Degree of Master of International Studies
(International Area Studies)

**The Impact of Pay Rise on Performance and Behavior
of Employees. The Case of Pakistan Agricultural
Research Council**

August, 2017

Development Cooperation Policy Program
Graduate School of International Studies
Seoul National University

WIQAR AHMAD

**The Impact of Pay Rise on Performance and Behavior
of Employees. The Case of Pakistan Agricultural
Research Council**

A thesis presented

by

WIQAR AHMAD

A dissertation submitted in partial fulfillment
of the requirements for the degree of
Master of International Studies

**Graduate School of International Studies
Seoul National University
Seoul, Korea**

August 2017

The Graduate School of International Studies
Seoul National University

THESIS ACCEPTANCE CERTIFICATE

The undersigned, appointed by

Development Cooperation Policy Program

The Graduate School of International Studies

Seoul National University

Have examined a thesis entitled

**THE IMPACT OF PAY RISE ON PERFORMANCE AND BEHAVIOR
OF EMPLOYEES. THE CASE OF PAKISTAN AGRICULTURAL
RESEARCH COUNCIL**

Academic Advisor: Professor **SONG JIYEOUN**

Presented by **WIQAR AHMAD**

August 2017

Candidate for the degree of Master of International Studies
that is worthy of acceptance

Signature



Committee Chairman

PROFESSOR JEONG HYEOK

Signature



Committee Vice-Chairman

PROFESSOR HAN JEONG HUN

Signature



Committee Member

PROFESSOR SONG JIYEOUN

Abstract

The Impact of Pay Rise on Performance and Behavior of Employees. The Case of Pakistan Agricultural Research Council

WIQAR AHMAD

International Area Studies

Graduate School of International Studies

Seoul National University

The purpose of the study was to determine the impact of pay rise on performance and behavior of employees of Pakistan Agricultural Research Council. Specific objectives of the study were to study the effect of pay rise, which occurred in 2007, on performance, satisfaction, retention and attracting new employees. Survey research design was adopted for the study. Using simple random sampling and stratified sampling, data was collected from employees of Pakistan Agricultural Research Council through questionnaires. Simple percentages were used to analyze data. Results revealed that pay rise (SPS) is still not only helpful in maintaining high level of performance, but it has decreased dissatisfaction as well which has led to decreased turnover. However, regarding attracting new employees, it is subject to further research as there is evidence of only 8.5% joining due to SPS. The rest joined on higher positions anyway.

Keywords: Pay Rise, Motivation, Employee Performance, Retention, Attraction, Two-Factor Theory, Hygiene Factors, Motivation Factors

Student Number: 2015-25106

Table of Contents

Abstract	i
List of Tables	iv
List of Figures	v
Chapter-I.....	1
Historical Background and Introduction.....	1
About Pakistan Agricultural Research Council (PARC).....	2
Emergence of the Problem.....	5
General Overview of Public Service in Pakistan.....	6
The Triggering Event and Granting of Pay Increase.....	7
Research Overview.....	10
Structure.....	11
Chapter-II.....	12
Literature Review	12
Motivation; Intrinsic and Extrinsic:.....	13
Pay for Performance and Public Service Motivation:.....	15
Two-Factor Theory:	17
Chapter-III.....	19
Research Design and Methodology.....	19
Research Question and Hypothesis	19
Variables	19
Data Collection	20
Data Analysis.....	20
Chapter-IV.....	21
Analysis and Discussion	21
1. Demographic Information	21
2. Motivation Drivers.....	24
3. Job Performance Level.....	26
<i>Interpretation.....</i>	<i>33</i>
4. Job Satisfaction Level.....	34
<i>Interpretation.....</i>	<i>38</i>
5. Retention.....	40
<i>Interpretation.....</i>	<i>47</i>
6. Attracting New Talent	49
<i>Interpretation.....</i>	<i>52</i>

Conclusion	54
Reference.....	56
Appendix	60
Questionnaire	60
요약 (국문초록).....	66

List of Tables

Table 1 Timeline of Evolution of PARC	2
Table 2 Hierarchies of 3 major cadres	5
Table 3 SPS and BPS Equivalence Chart	9
Table 4 Scientists' average PER scores before and after the introduction of SPS.....	31
Table 5 Para-Scientists' average PER scores before and after the introduction of SPS	31
Table 6 Results of "Job Performance Level" Section	33
Table 7 Results of "Job Satisfaction Level" Section	39
Table 8 Ranking results of attributes	45
Table 9 Results of "Retention" Section	48
Table 10 Results of "Attracting New Talent" Section	53

List of Figures

Figure 1 Cadre wise responses	21
Figure 2 Rank wise responses	22
Figure 3 Place-of-posting wise responses	22
Figure 4 Date-of-Joining wise responses	23
Figure 5 Education break up	23
Figure 6 Main reason for joining public service	24
Figure 7 Financial vs Non-financial incentives	25
Figure 8 Additional responsibility due to SPS	26
Figure 9 Motivation due to SPS	27
Figure 10 High performance expectation due to SPS	28
Figure 11 SRA winning percentage	29
Figure 12 ASRA winning percentage	30
Figure 13 Linking SRA/ASRA to performance	35
Figure 14 Criteria for SRA/ASRA	36
Figure 15 Preference in a new job	40
Figure 16 Satisfaction with current job	41
Figure 17 Confidence level on quitting	43
Figure 18 Quit PARC for one rank up job	46
Figure 19 Why would quit PARC	47
Figure 20 Division in last degree	50
Figure 21 Work prior to joining PARC	50
Figure 22 Main attraction in PARC	52

Chapter-I

Historical Background and Introduction

Pakistan lies in South Asia and is at the intersection of Central Asia and Middle East. Pakistan is bordering four countries, India in the east, Afghanistan and Iran in the west and China in the northeast. It is bounded by land from three sides and the Arabian Sea flows in its south. Its economy is 44th largest in the world in terms of nominal GDP (\$243.6 billion-2014). The partially industrialized economy, heavily dependent on agriculture, is regarded as one of the emerging and growing economies of the world (Pakistan: Country Study Guide, Strategic Information and Developments 2015).

Agricultural sector in Pakistan has been maintaining its position as a core sector of the economy throughout the history. Majority of labor force (43.5%) depends on agriculture and it provides livelihood to 66.7 % of rural population. Agriculture sector is known as a “life line” as it is heavily interconnected with other sectors and Pakistan’s economy as a whole. It accounted for 20.9 % of the GDP and 60% of exports in the year 2014-15 (Pakistan Economic Survey, 2014-15).

Since independence in 1947, like any other developing country, Pakistan has also been facing several challenging problems including poverty, illiteracy, mismanagement of resources, terrorism and political instability. Having not so good relations with its neighbor India, there have been three wars between the two which has further aggravated its problems. The political history is blemished by four stints of military rules. Despite these challenges, it holds a unique strategic position and is endowed with abundant natural resources. It has made significant achievements in poverty reduction and is currently the country with the second lowest headcount poverty rate in South Asia.

About Pakistan Agricultural Research Council (PARC)

Pakistan has inherited agriculture based economy since its inception. The agriculture sector was neglected initially despite the fact that this was the largest contributor to GDP. At the time it provided direct or indirect employment to 80 percent of the population, earned 73 percent of foreign exchange, accounted for raw material for jute, cotton, sugar and vegetable industries, and served as a market for industrial goods. “From 1947 to 1953, agriculture remained sluggish due to refugees’ influx from India” (Khan et al., 2013), allotment of agricultural land to non-farming refugees causing inefficiency and reducing interest of farmers. “Pakistan had to import over one million tons of wheat in 1952 to meet the acute food shortage (The Pakistan Development Review, 1999)”. This made the policy makers realize that agriculture could not be neglected but it should be supported like the industry on priority basis. Different government policies, in this regard, have helped PARC evolve in the following manner;

Table 1 Timeline of Evolution of PARC

Year	Development
1952	Replaced the Food and Agriculture Committee (FAC) set up in 1948 with Food and Agriculture Council of Pakistan (FACP) in 1952.
1964	Food and Agriculture Committee was re-designated as Agricultural Research Council (ARC) and its membership made more compact and it was authorized to sponsor fellowships in agricultural research.
1968	First Pak-American Agricultural Research Review Team reviewed the current status of agricultural research in the country and on their recommendations, the duties of Agricultural Research Council were expanded to include establishment of research centers.

1973	Second Pak-American Team reviewed the status of agricultural research in Pakistan and recommended the strengthening of Agricultural Research Council (ARC). As a result, the ARC was reorganized.
1978	Agricultural Research Council was reconstituted and broad based to include whole time Members, working scientists from provinces, heads of research institutes, Vice-Chancellors of agricultural universities and progressive farmers.
1980	Joint World Bank, USAID and Canadian International Development Agency (CIDA) Mission, led by Sir Charles Pereira visited Pakistan and submitted its report on the overall in-depth review of agriculture research system, suggesting inter alia the grant of autonomous status to ARC.
1981	The Government approved the autonomous status for ARC and renamed it as PARC vide PARC Ordinance 1981

Source: www.parc.gov.pk

According to clause 4 of the Ordinance, the Council was mandated the following functions:

- (a) to undertake, aid, promote and coordinate agricultural research;
- (b) to arrange the expeditious utilization of the research results;
- (c) to establish research establishments mainly to fill in the gaps in existing programs of agricultural research;
- (d) to arrange the training of high-level scientific manpower in agricultural sciences;
- (e) to generate, acquire and disseminate information relating to agriculture;
- (f) to establish and maintain a reference and research library; and
- (g) to perform any other functions related to the matters aforesaid.

PARC is the sole specialized agricultural research institute working under the federal government. As evident from above, one of its core functions is to ensure coordination among provincial and international agricultural organizations for effective use of resources towards achieving food security in the country. Besides that, PARC is also mandated to establish research setups in such areas to fill the gaps among provincial set ups. That is why while having its headquarters in Islamabad, PARC has 26 research establishments across Pakistan. It consists of 5 technical and 2 non-technical divisions. Technical divisions include Plant Sciences, Animal Sciences, Natural Resources, Social Sciences and Agricultural Engineering division, whereas non-technical divisions are Monitoring & Evaluation and Finance division. Every division is headed by a Member, an SPS-12 officer. Administration and Directorates of other allied services are headed by the Secretary (Council).

Currently there are 2252 regular employees on its payroll while a number of contract employees are also working under several development projects in various set ups of the Council. These regular employees are further categorized by different cadres. There are six major cadres namely (i) Scientists, having 519 employees, (ii) Administration, having 707 employees including 127 officers and 580 staff, (iii) Finance & Accounts, having 94 employee including 76 officers and 18 staff, (iv) Computer, having 52 employees including 18 officers and 34 staff, (v) Technical, having 142 employees including 35 officers and 107 staff, (vi) Para scientific staff, having 464 employees. Apart from these six major cadres, there are other small cadres which are normally clubbed as Ex-cadre which in total includes 274 employees out of which 29 are officers and 245 are staff members. Following are the hierarchies for officers of three major cadres i. e Scientists, Administration and Finance & Accounts;

Table 2 Hierarchies of 3 major cadres

SPS/ Rank	Scientist	Administration	Finance & Accounts
12	Chief Scientist-II	-	-
11	Chief Scientific Officer	Secretary (Council)/ Senior Director	Senior Director
10	Principal Scientific Officer	Director	Director
9	Senior Scientific Officer	Deputy Director	Deputy Director
8	Scientific Officer	Assistant Director	Accounts Officer
7	Assistant Scientific Officer	Superintendent/ Assistant Administrative Officer	Assistant Accounts Officer

Source: PARC HR Book

Emergence of the Problem

Under the core functions of PARC, training of high level scientific manpower was also given top priority. During 1980s numerous projects for agricultural research were funded by the USAID and World Bank which included research fellowships. Several Scientists from PARC were sent to UK and the US for PhD. This helped PARC to pool a bunch of highly talented and qualified research scientists unmatched by any other research organization in the country. However, the Council failed to recognize the need for devising a worthwhile service structure for them commensurate with their qualification and experience to retain them in the long run.

With the passage of time these scientists started to develop grievances on matters of slow promotion and unattractive pay package. For the first promotion which only required a minimum of 5 years' experience/ service length, they would wait for 10 to 12 years because of no vacancy available in the upper grade. Similarly, for the second promotion which required a minimum of 7 years' experience/ service length, some scientists waited for more than 15 years. Besides, PARC was following the conventional pay scheme called Basic Pay Scales as admissible to other public

agencies. However, no other organization was hosting as many PhD degree holders as PARC. This forced the scientists to leave the Council one by one for even a slightly better opportunity elsewhere. Most common destinations for them were Food and Agriculture Organization, ICARDA, CIMOD, WWF, CIMMYT, IRRI, public sector universities, Pakistan Atomic Energy Commission, Pakistan Science Foundation and Provincial Agriculture departments. Some of them left the Council for same level posts in anticipation of prompt promotion. However most of them joined on higher positions in other organizations. During this process, several researchers sent abroad for PhD absconded and never returned to the Council but settled for working abroad.

General Overview of Public Service in Pakistan

Public service under the Central Government in Pakistan has been a respectable and perhaps the most sought after service. However public service is not uniform across all government departments in terms of salary and service structure. Pay and perks vary for all the various categories of public service which includes Ministries/Divisions, Attached departments, Banks, Corporations, Autonomous and Semi-Autonomous departments. Apart from banks, corporations and a few autonomous departments, all other usually follow the “Basic Pay Scales” which is far inferior to those followed by the former. Moreover, within these departments which follow Basic Pay Scales, one portion of salary which is called “Basic Pay” is uniform for the same scales across all departments but the other portion of salary called “Allowances” vary depending upon the nature of department, place of posting and nature of work. Similarly, recruitment and promotion rules and regulations also vary for all these various categories of departments. For the Ministries/Divisions and most attached departments, recruitment is carried out centrally by the Federal Public Service Commission whereas promotion cases are processed by the Establishment Division.

On the other hand, Banks, Corporations, Autonomous and Semi-Autonomous departments have their own rules and regulations both for recruitment as well as promotion and are mostly independent in these matters. The formulation and amendment of these rules and regulations however requires approval from the

Government. This kind of set up usually has multiple problems and challenges. Normally such Autonomous or Semi-Autonomous bodies have limited sanctioned posts with very short hierarchies which cause a major obstacle in timely promotion of employees. Hence those Autonomous and Semi-Autonomous bodies which follow Basic Pay Scales and have this kind of problems in promotion usually have higher turnover rate. PARC was one of these departments. Most of its scientists were highly qualified who did their PhD from top universities in the US, Japan and UK but were stuck up on their initial posts for years vying for promotion and surviving on low salary and usual perks. This gradually crowded the spirit out of them which had brought them into public service. In such a situation it is no surprise if human nature becomes self-centered. This ultimately reflected in high turnover as well as low performance and in the absence of an objective performance management system, the Council had to pay the toll.

The Triggering Event and Granting of Pay Increase

Meanwhile in 2001 the government approved a new and more lucrative pay system i.e Special Pay Scales (SPS) for Pakistan Atomic Energy Commission (PAEC), a research and development commission for atomic energy under the National Command Authority of the Strategic Plans Division, Government of Pakistan. Granting of this attractive pay package to PAEC was the official recognition of her contribution to strategic cause of the country. However, this was seen by PARC employees as an act of discrimination and deprivation which in other words was undermining their contribution to the national cause. They pleaded to be equally contributing to the national cause by shouldering another pillar of the state i. e economy which heavily relied on agriculture. They were demoralized by this and frustration started to prevail among them causing negative impact on their performance and behavior.

PARC was already facing a challenging task of employees' retention as most of her qualified and experienced scientists and employees were leaving PARC for better opportunities elsewhere. The trend was so severe that even the government

expressed its concern and asked the management of PARC to take remedial measures. This forced PARC management to submit a similar case to the government for the grant of similar pay structure i. e SPS for her employees in 2006 and after lengthy correspondence between the Council, the then Ministry of Food Agriculture & Livestock, Ministry of Finance and Prime Minister Secretariat, it was approved vide Notification issued on 8th October 2007 effective 01-07-2007. The Basic Pay Scales and Allowances were replaced with Special Pay Scales and Allowances. There were 22 scales (from 1 to 22) in the Basic Pay Scales system which were reduced to 13 under the SPS system. Equivalence chart is given as follow:

Table 3 SPS and BPS Equivalence Chart

Special Pay Scales (SPS)	Basic Pay Scales (BPS)
1	1
	2
	3
	4
2	5
	6
3	7
	8
4	9
	10
5	11
	12
6	13
	14
7	15
	16
8	17
9	18
10	19
11	20
12	21
13	22

Source: Notification dated 8th October 2007

The Government also directed for some structural changes and emphasized for enhancing performance and productivity. The new pay package was anticipated by the PARC employees as for granted however the government subjected the grant of two

allowances (for the scientists and para-scientists) to performance. This included Special Research Allowance (SRA) @ 30% of Basic Pay, admissible on attaining 70% marks in the annual Performance Evaluation Report (PER) and Additional Special Research Allowance (ASRA) @ 20% of Basic Pay, admissible on attaining more than 80% marks in the PER. The PER, by rules, is written by the immediate supervisor and countersigned by the next officer in-charge. Total increase in the pay across all cadres and grades was around 50 to 60%.

This was a huge increase considering the fact that usually the government enhances pay and perks for all the government servants @ 10 to 20 % every 5th year. The management was now hopeful for alleviation of problems related to low pay and perks. Generally, the increase was warmly welcomed by the employees. However soon another kind of frustration started to creep up among certain scientists and para-scientists when getting those allowances, contingent on performance, became difficult for them. They also complained of prejudiced performance evaluation by their supervisors and demanded for disassociating the grant of these allowances from performance. There were some employees who complained of getting lesser benefits as compared to others. For them absolute advantage alone was not enough but they also wished for comparative advantage. Overall, the rise in pay however was successful to overcome, to some extent, the problem of brain drain from the Council.

Research Overview

The study will look for a connection between the rise in pay and performance and other behavioral actions of employees. Being part of PARC I have personally witnessed all this process and am curious to see it in a theoretical perspective. This study will be the first of its kind as no study has ever been conducted on this case after the introduction of Special Pay Scales to PARC despite involving huge finances. It is hoped that this study will be useful in presenting a first-hand analysis to policy makers for a more rigorous assessment besides providing the government a feedback on employees' various responses to the rise in pay.

In this study it will be analyzed whether this rise in pay sparked any positive changes with regard to performance, which the government and management wished-for? Besides this, the major trigger for this rise was employees' turnover and dissatisfaction, so was it successful in overcoming those issues? How much did this help attract new talent?

It is however expected that pay rise is a onetime phenomenon and it can hardly maintain high level of motivation over a longer period of time. However, it can alleviate frustration, minimize departures and can help in employees' retention. It can also help attract aspiring talent. It is one thing to reduce dissatisfaction or frustration but it is another to increase satisfaction. Pay related incentives usually alleviate dissatisfaction but fail to instill satisfaction which actually helps in motivation. There is a fair chance of Scientists losing interest in SPS as some allowances for them are performance based which was unexpected.

Structure

Chapter-II is literature review which will explain the case in theoretical perspective, describing its various aspects and discussing them in the light of relevant literature. Chapter-III talks about research design & methodology and the development of hypotheses. The relation between dependent and independent variables are also explained here. Chapter-IV then analyzes the results of survey and makes logical explanation. Results are interpreted in the light of literature as discussed in the second Chapter. Lastly, meaningful conclusions are drawn from results which is the crux of research. These conclusions are explained in the light of hypotheses developed in earlier Chapters.

Chapter-II

Literature Review

As discussed in the previous chapter the employees were facing a tradeoff between leaving the organization and raising their voice for their rights. There were problems of low pays and slow promotion which put them in this tradeoff either to exit for good and join a better job or to raise their voice and pressure the government for addressing their problems. This approach of the employees needs to be seen in the light of Albert Hirschman's theory of Exit, Voice and Loyalty. Some 52 employees of the Council left and joined other organizations over a period of 4 years from 2003 to 2007. The rest were silent either due to loyalty with the current employer or were in a state of neglect (Farrell, 1983). Voice however was not raised individually but by the employees' unions. According to Hirschman, loyal customers would go for voice rather than exit but in the employee-employer relationship, raising voice may be seen as disloyalty (Upchurch, Richardson, Tailby, Danford and Stewart, 2006).

Allen (2014) argues that, in the case of employment, employees' decision to quit or to stay is strongly influenced by the tradeoff between the "uncertainties and costs" of exit and the "certainties" of staying which is in sheer contrast to Hirschman's original argument that where exit is possible, voice is likely to be determined by the tradeoff between "certainty" of exit and the "uncertainties" of an improvement in the situation (Allen, 2014). This means that for employees, uncertainty lies in the exit but for customers it lies in staying with the product. This can further be explained as "it takes longer for employees to opt for exit because it involves uncertainty as compared to customers of a product because for them uncertainty lies in staying." This is true because to find a better job not only in terms of pay but location, job security, working environment and other factors, associated with the new job, is not certain and it takes time as well.

The impact of pay on the performance and behavior of PARC employees needs to be viewed from various theoretical perspectives as it has several aspects to look at.

We have to open many windows at the same time to fully grasp the issue in hand. First we have to view it in the context of enhancing motivation and strengthening retention using monetary incentives. At the same time, we have to bracket it as public sector motivation because motivation via monetary incentives in private sector is one thing while doing the same practice in public sector is another.

Similarly, we have to keep an eye on the crowding out effect of the motivation as usually people working in the public service are the ones who are driven by intrinsic rewards rather than extrinsic rewards and subjecting them to extrinsic rewards may result in the crowding out of motivation. Also we have to cope with the literary paradox as main stream literature is divided on the positive impact of pay for performance. In the Special Pay Scales (SPS) package, as earlier mentioned, there are two allowances for the Scientists and one for the Para-scientific staff which are based on performance, and hence its impact can well be analyzed by counting these allowances as pay for performance. Besides, analyzing pay as a source of motivation will also help see the whole picture. In the end we will talk about Frederick Herzberg's Two-Factor Theory, famously known as Motivation-Hygiene theory, which argues that Hygiene factors are those whose presence alleviate job dissatisfaction but the real satisfaction comes from Motivation factors. This theoretical model seems to be appropriate for analyzing the case in hand especially when the expected result lies in its scope.

Motivation; Intrinsic and Extrinsic:

Productivity in any context predominantly depends on job performance though there are numerous other factors as well on which it relies. “Job performance itself is a function of four variables: ability, understanding of the task, environment, and motivation” (Mitchell, 1982, pp.82-83). This means that employees should not only possess the required knowledge and capabilities but also determination to do well which comes from motivation. It is no surprise that Motivation has been a key topic for researchers and that is why we see numerous theories and approaches explaining various aspects of motivation in the field of management.

According to Mitchell, employee has control over motivation and he decides to make effort and act (Mitchell, 1982). “There is both good and bad news here: the good news is that an employee’s level of motivation can be influenced; the bad news is that only the employee himself/herself can do that. In other words, managers cannot motivate employees; they can only influence employees in a manner that makes them feel motivated” (Bruce & Pepitone, 1998, p.1; Kumar & Sharma, 2001, p.585).

Following the above statement, we can say that motivation is not that simple but is a complex phenomenon. For these reasons some say motivation is an inside job. Motivation which arises from within is called intrinsic motivation, for example, doing anything for enjoyment, self-efficacy, pride, recognition etc and motivation which is driven by external desires is called extrinsic motivation, for example, doing anything for praise, money, fame or under fear. According to Ryan and Deci (2000) “the most basic distinction is between intrinsic motivation, which refers to doing something because it is inherently interesting or enjoyable, and extrinsic motivation, which refers to doing something because it leads to a separable outcome.” (Ryan & Deci, 2000, pp.55). They further argue that rewards and feedback can enhance intrinsic motivation because it satisfies psychological need for competence (Deci, & Ryan 1985). However, these alone will not suffice until tied with a sense of autonomy (deCharms, R. 1968). Put simply, for maximizing intrinsic motivation, satisfying both the competence and autonomy needs of the employee are necessary. Other studies also endorse the result that intrinsic motivation is positively related to positive performance feedback and negatively related to negative feedback (Deci, 1971; Deci & Cascio, 1972).

However, when talking of tangible rewards, according to Ryan and Deci (2000), various studies have confirmed that if they are made subject to some performance standards, it will undermine intrinsic motivation. They further review that threats, deadlines, directives and competition pressure will also have the same effect because employees would see them as controllers of their behavior whereas choice and the opportunity of self-direction would do well because it provides a sense of autonomy.

Pay for Performance and Public Service Motivation:

It is hard to deny the importance of pay as a source of motivation but pay must be subject to performance, if it is to motivate (Rynes, Gerhart, & Minette, 2004). This is the paradox in the main stream literature on the impact of pay-for-performance I was talking of in the beginning of this chapter. However, Rynes et al have also given further explanations for it. According to them individual characteristics and situational contingencies play a vital role in this regard. It has been observed that individual incentives like merit pay and individual bonuses are appreciated by high academic achievers, high performers and highly efficient people (e.g., Harrison, Virick, & Williams, 1996; Trank et al., 2002; Trevor et al., 1997; Turban & Keon, 1993). Similarly, extroverts value Pay more than the introverts (e.g., Stewart, 1996), while higher pay as compared to colleagues is welcomed by individuals who have demonstrated leadership abilities in the past (Trank et al., 2002). As regards situational contingencies, pay is more crucial in joining a new job than in deciding to quit the current one. This is because in case of new job pay is one of the very few known things to the candidate whereas for the one, who is already working, there are numerous other factors as well which play its role in making a decision (Rynes et al., 1983). Similarly, pay will lose its charm where increases are made regardless of individual performance evaluation (Rynes et al, 2004). They further say that motivation toward performance will be made by part of the pay which is made subject to performance.

On the contrary Kellough and Lu (1993) established that merit pay systems were little effective in employee as well as organization performance. Among the various reasons they give for this failure are hitches in performance evaluation, such as evaluator's leniency and lack of funds to run the system. Perry, Mesch, and Paarlberg in 2006 reviewed 17 research papers on financial incentives, and they determined that individual financial incentives are unproductive in conventional public sector system. They agreed to earlier research recommendations in inferring that the efficacy of financial incentives relies on organizational settings. Some of the conditions/ settings which Ryan et al (2009) has described are discussed briefly here:

Organizations where goals were clearly conveyed and the incentive was adequate, performance-related pay did affect performance positively (Greiner et al. 1977). Performance-related pay may affect lower organizational levels more than the higher level because job responsibilities are usually less ambiguous and easily measurable at the lower level (Milkovich and Wigdor 1991). Implementation problems are yet another source of failures of performance-related pay. These problems originate from the institutional variances among public and private sectors like transparency, budget, and check & balance limitations found in public sector which hamper the success of such schemes. But this fact is hardly recognized by the supporters of performance related pay (Ryan et al 2009).

Critics of performance related pay say that these systems have never succeeded to boost up long-term organizational performance (Houston 2009; Perry et al. 2009). Perry et al (2009) attribute this failure to the following reasons: 1) such systems fail to change employee motivation, 2) these are easily influenced by various circumstantial factors, 3) these might rely on the lucidity of job responsibilities and 4) these systems often get affected by implementation failures. But despite repeated failures on its promise, pay for performance systems continue to be adopted by the governments. Ryan et al (2009) further indicates that most public organizations suffer from uncertainty about their performance criteria, which then look for other ways to substantiate and legitimize themselves to the stakeholders and, hence, they go for these pay systems.

Due to such weaknesses, various scholars suggest public service motivation in lieu of variable pay system (Perry and Wise 1990; Perry et al. 2009; Houston 2009; Moynihan 2008; Frey and Osterloh 2005; Frey and Oberholzer-Gee 1997). Other practical research also proposes that public service motivation theory (Perry and Hondeghem 2008) is more effective in public sector settings. Some motivation theories suggest that the external controls placed by performance related pay on employees can diminish the overall motivation, especially when employees are driven by intrinsic motivation.

The term “Public Service Motivation” was used in the 1970s and 1980s by several authors like Buchanan, Perry, Mosher, Porter, and Rainey; but it was officially coined by Perry and Wise in 1990 (Vandenabeele, 2007). According to this concept, presumably being driven by intrinsic desires, motivational requirements of public service employees are different from those working in the private service. Emphasizing performance-related pay can result in diminishing or reducing the public service motivation. If the increase in extrinsically-driven motivation is less than the decrease in public service motivation, there will be an overall loss in motivation (Houston 2009, 47; Frey and Osterloh 2005). Empirical research has shown that in non-profit organizations performance-related pay has accounted for a reduction in intrinsic motivation (Deckop and Cirka 2000; Weibel et al. 2007). Owing to these shortcomings in performance pay systems, public administration scholars have advised to pursue performance-related pay watchfully (Houston 2009; Perry et al. 2009).

Public sector employees find their job enjoyable, satisfying and fulfilling their desire for helping people (Frederickson 1997; Perry and Wise 1990; Houston 2009). Public service motivation scholars suggest that public organizations should not only look for candidates with high degree of intrinsic desires at the time of recruitment but they should also cultivate these motivations among employees (Moynihan 2008; Pandey and Stazyk 2008; Perry et al. 2009; Houston 2009). Moynihan (2008) suggests “high-powered incentives should be disconnected from performance measures, performance measures should be linked to intrinsic values, efforts should be made to build a stronger public service culture, and, again, employees should be selected largely on the basis of their intrinsic motives” (259-262).

Two-Factor Theory:

This is a different perspective of the motivation theories where motivation factors are divided into two groups. The two-factor theory famously known as Herzberg's motivation-hygiene theory says that there are some factors in the workplace that lead to job satisfaction, while some create dissatisfaction. Frederick Herzberg, the architect of this theory conceived that job satisfaction and job

dissatisfaction factors are independent of each other (Herzberg, Mausner & Snyderman, 1959).

According to Herzberg et al (1959), employees are not happy with the fulfillment of lower-level needs; such as, minimum levels of salary or safe and pleasant working environment. But they seek fulfillment of higher-order psychological needs related with accomplishment, acknowledgment, responsibility, progression, and nature of work. Herzberg thus proposes a two-factor motivation model, where one set of job characteristics or incentives, called Motivators, leads to satisfaction, whereas the other set, called Hygiene factors, leads to decreasing dissatisfaction. Nevertheless, both satisfaction and dissatisfaction are not unilinear i.e when one increases the other would decrease, but are independent of each other. This necessitates the need that in order to maximize job performance, both sets of characteristics must be identified and it should not be assumed that an increase in satisfaction would lead to decrease in dissatisfaction or vice versa.

Motivators usually include factors like challenging task, recognition for achievement, responsibility, doing something meaningful, being part of decision making and being important to an organization, which give a sense of contentment, arising from intrinsic job conditions (Hackman & Oldham, 1976). Hygiene factors include status, salary, job security, working environment, fringe benefits, paid insurance, good pay and vacations, the absence of which causes dissatisfaction but its presence do not cause satisfaction. These factors are external to the job, and arise from company policies, supervisory practices, or wages/salary (Hackman et al 1976; Herzberg, 1968). In our case pay has been used in two roles. First, the level of pay as a whole has been enhanced and second, a part of pay has been made contingent on performance but only for the scientists and para-scientists. However, Hackman et al (1976) has included both salary and good pay in the Hygiene factors which means they, in no case, can lead employees to satisfaction however they can play its role in decreasing dissatisfaction according to two-factor theory.

Chapter-III

Research Design and Methodology

Research Question and Hypothesis

Main question of this research is whether the rise in pay effected any positive changes on employees' performance, job satisfaction, employees' retention and attracting new talent?

Hypotheses, developed on the basis of discussion in Chapter-I, are as follows;

- i. Pay rise cannot maintain high level of performance for a longer period of time.
- ii. Pay rise helps decrease dissatisfaction.
- iii. Pay rise helps reduce employees turnover and attract new talent.

The first two hypotheses are based on Frederick Herzberg's Two-Factor Theory, or Motivation-Hygiene theory which claims that Hygiene factors are those factors whose presence alleviates job dissatisfaction but the real satisfaction comes from Motivation factors. Hackman et al (1976) has counted both salary and good pay in the Hygiene factors which means they in no case can lead to satisfaction (which motivates) however they can play its role in decreasing dissatisfaction according to two-factor theory.

Variables

There is one independent variable i.e the rise in pay whereas four dependent variables namely, job performance level, job satisfaction level, retention and attracting new talent. All other variables, not mentioned here, are taken as controlled. Pay of course is an important tool in not only attracting employees but also retaining them. For pay to be a good motivator for performance, some part of it should be variable (Rynes et al, 2004). The amount of impact on performance depends upon the portion of pay which is conditional on performance. Similarly pay is instrumental both in attraction as well as retention of employees but it is relatively more useful in attraction

rather than retention. For a person who is yet to join an organization, pay is mostly the only information that he has on the basis of which he decides to join or otherwise. However, for a person who is already part of it, he looks to other issues as well like working environment, growth opportunities etc.

Besides, pay lower than the market rate, or for similar jobs, creates dissatisfaction among employees. Rise in pay in this case becomes the sole and inevitable instrument to relieve that dissatisfaction. No other incentive can help in this regard. Looking at these relationships between the dependent and independent variables, the dependent variables will be analyzed on these grounds.

Data Collection

The survey, consisting 34 questions, was floated on Google Forms for online participation and the link was sent to respondents belonging to various cadres like Scientists, Administrators and Accountants etc. on their Facebook, WhatsApp and email IDs. Using my social network, I made sure to receive at least 100 responses considering the fact that total number of employees is 2252. The online survey reduced the response time and I was able to receive 110 responses in less than 10 days.

Part A of Questionnaire consists of demographic information like gender, age, qualification, cadre and rank. Part B is about why they prefer public service over private and what kind of incentives drive them more. Part C, D, E and F consist information about our four dependent variables i.e job performance level, job satisfaction level, retention and attracting new talent. Detailed Questionnaire is available at Appendix.

Data Analysis

Quantitative research method was used to analyze data. Data was analyzed using descriptive statistics. The descriptive statistics were presented in the form of frequency distributions and simple percentages. Simple percentages were used to determine the trend.

Chapter-IV Analysis and Discussion

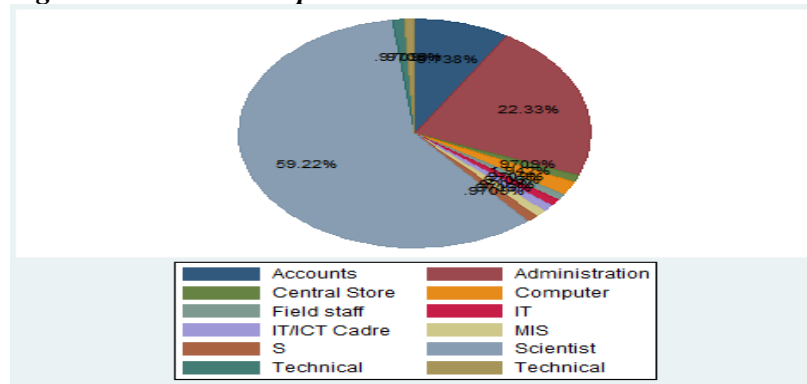
According to Patch (1965), where good productivity data is available, which is mostly the case in industries, and the efficiency totally depends on motivation, then the level of motivation can be calculated from the productivity data. However, where either productivity data is not concrete or efficiency or productivity does not wholly depend on motivation, then it is useful to measure motivation level directly rather than using productivity data. Here we will use the latter case, considering the fact that PARC is a research organization and performance here is hardly measured in concrete terms. A total of 34 questions in six different sections were asked in the survey. In the following paras we will analyze each section separately.

1. Demographic Information

Seven questions (Q.1 to Q.7) were asked in this section which yielded the following information;

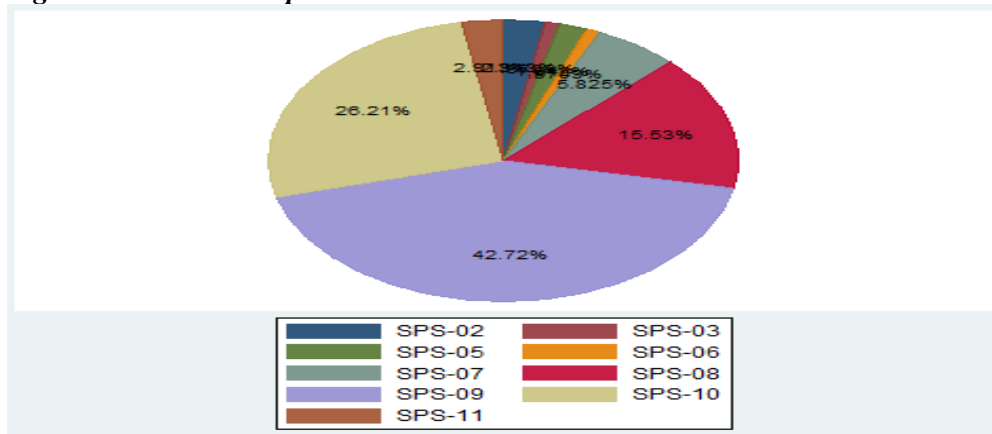
Result: A total of 110 responses were received from around 200 employees to whom survey form was sent. Out of those 110, a negligible number of four respondents were female whereas the rest were male. 52% of respondents were aged between 31 to 40, 26.9% between 41 to 50 and 18.3% above 50, whereas 3.8% were below 30 years of age.

Figure 1 Cadre wise responses



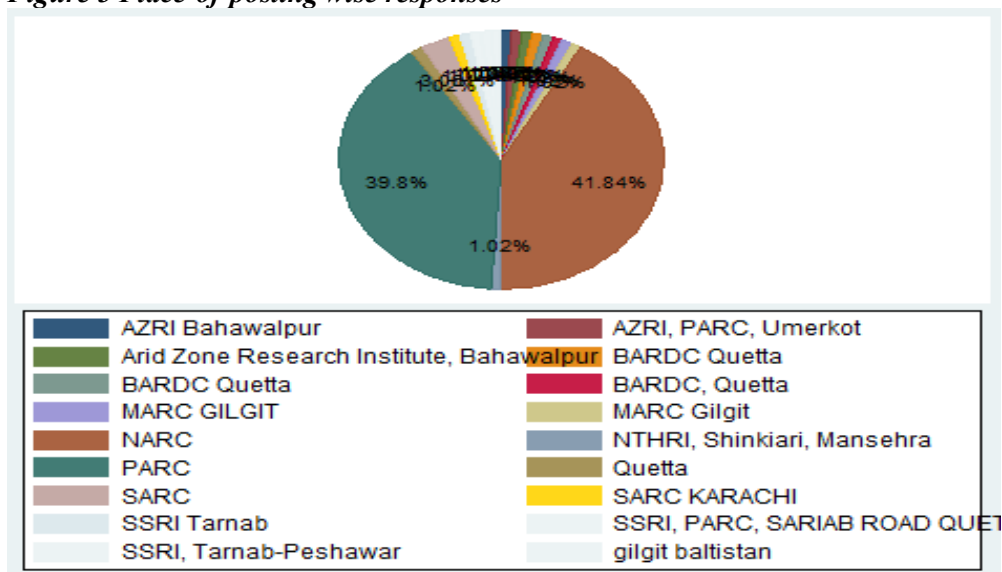
“Scientist cadre” dominated the study with 59.2% responses coming from them, followed by “Administration cadre” with 22.3% and “Accounts” with 8.7%. The remaining 9.7% belonged to various “Other cadres”.

Figure 2 Rank wise responses



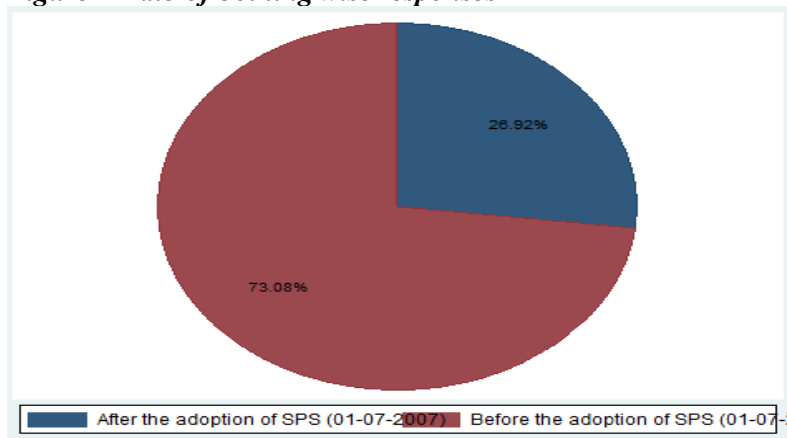
Of the total respondents, 42.7% are in “SPS-09”, 26.2% in “SPS-10” and 15.5% in “SPS-08”. Other grades are in small proportions.

Figure 3 Place-of-posting wise responses



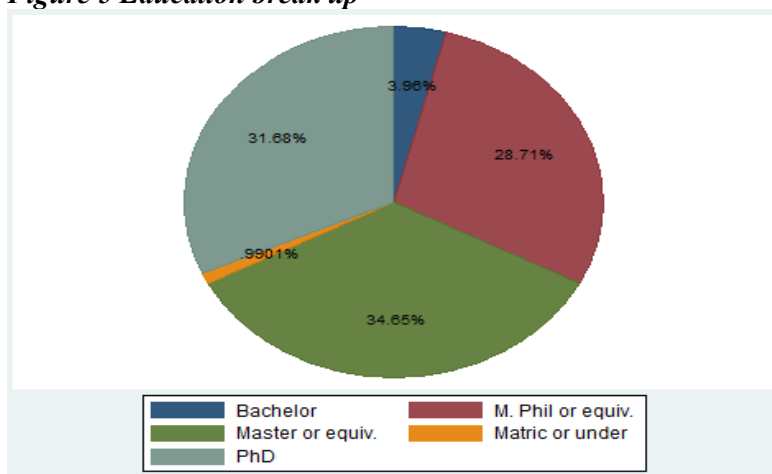
Maximum 41.8% responses were received from “NARC”, the largest research center of the Council, whereas 39.8% from “PARC Headquarters” and 18.4% from other establishments of the Council across Pakistan.

Figure 4 Date-of-Joining wise responses



73.1% of the respondents have joined the Council prior to the adoption of pay rise i.e Special Pay Scales (SPS) on 01-07-2007 whereas 26.9% have joined after the pay rise.

Figure 5 Education break up



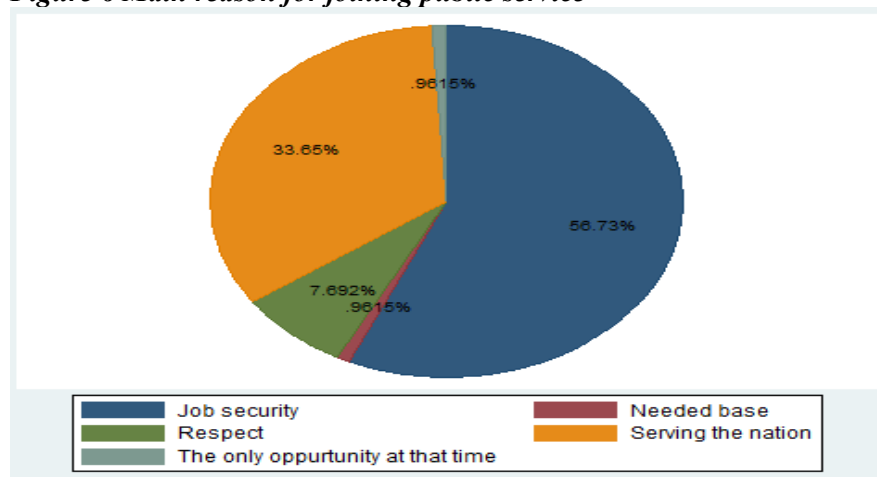
32% respondents have “PhD” degrees, 29% “MPhil or Equivalent”, 35% “Master” and 4% have got “Bachelor or undergraduate” degrees.

2. Motivation Drivers

In this section, two questions (Q.8 & 9) were asked to determine whether employees are intrinsically motivated or extrinsically.

Q.8	What was the main reason behind your joining government service rather than private service?
a)	Job security
b)	Respect
c)	The only opportunity available at the time
d)	Serving the nation
e)	Other (Please write)

Figure 6 Main reason for joining public service

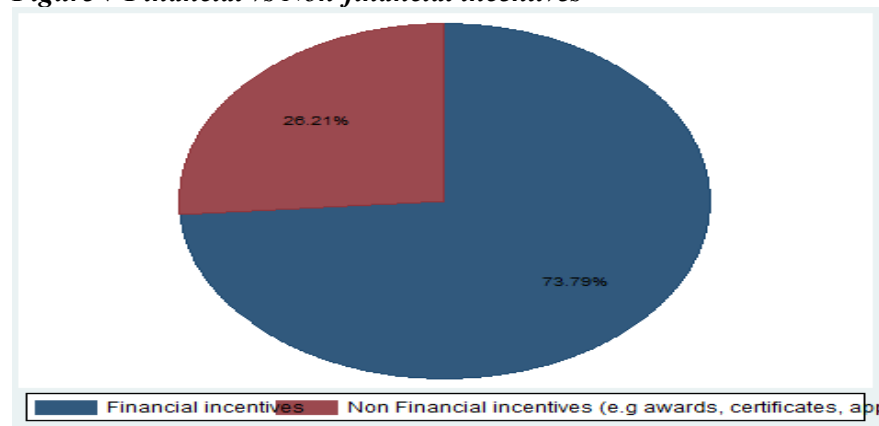


Results: 56.7% respondents say that they have preferred public service over private for “Job security”, 33.7% say for “Serving the public” and 7.7% say they have joined public service for “Earning respect” in the society.

Q.9 In your opinion, what type of incentives/benefits motivates a government employee more?

a) Financial incentives b) Non-financial incentives (e.g awards, certificates, appreciation etc.)

Figure 7 Financial vs Non-financial incentives



Result: 73.8% are of the view that “Financial incentives” drive a public servant more whereas 26.2% say “Non-financial incentives” do the trick.

Discussion: This provides significant evidence that most employees have joined this service for “Job Security” rather than for “Serving the Nation” and are driven more by financial incentives rather than non-financial, which is contrary to popular perception. Hence, the argument that generally public servants are intrinsically driven rather than extrinsically, doesn’t go well here.

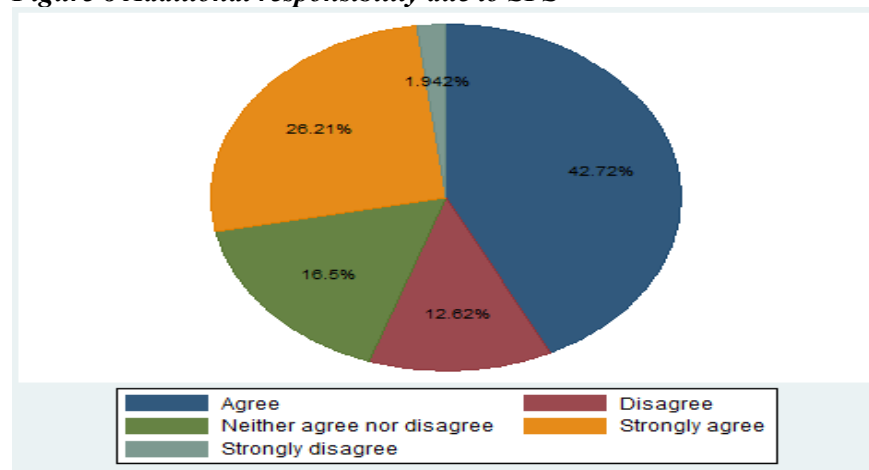
Moreover, education does not have any significant effect on both the questions. PhD’s response, when asked why did they prefer public service over private was 50% for “Job Security” as against the 57% overall. Similarly, MPhil’s response was 62% and Master’s 57%. To the second question as which incentives drive them more, PhD’s response for “Financial Incentives” was 59%, MPhil’s 78% and Master’s 77% against the overall 74%.

3. Job Performance Level

In this section, seven questions (Q.10 to Q.16) were asked to determine whether SPS has any effect on the level of job performance.

Q.10 Do you feel that SPS have put any kind of additional responsibility on you?
a) Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

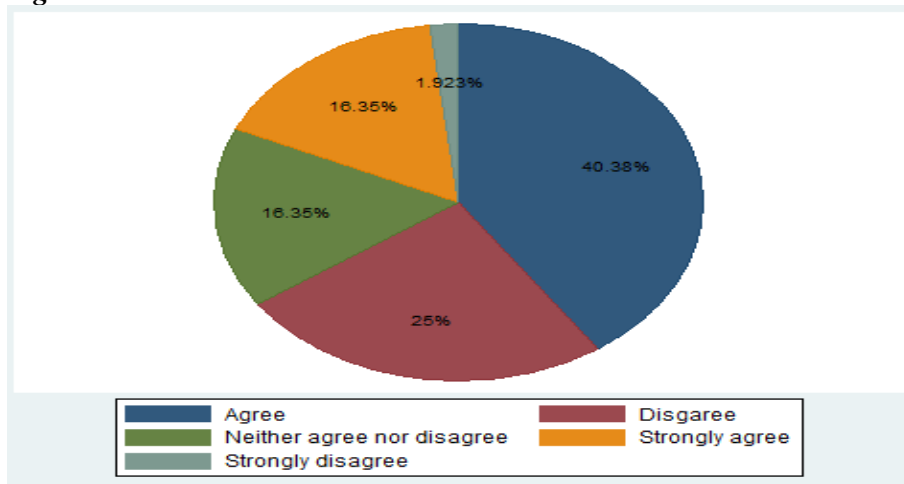
Figure 8 Additional responsibility due to SPS



Result: About 42.7% “Agreed” and 26.2% “Strongly agreed” that they feel SPS have put additional responsibility on them. Only 14.5% “disagreed” to this notion.

Q.11 Is it true that SPS plays a major role in motivating you for late setting or work on holidays, when required?
a) Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

Figure 9 Motivation due to SPS



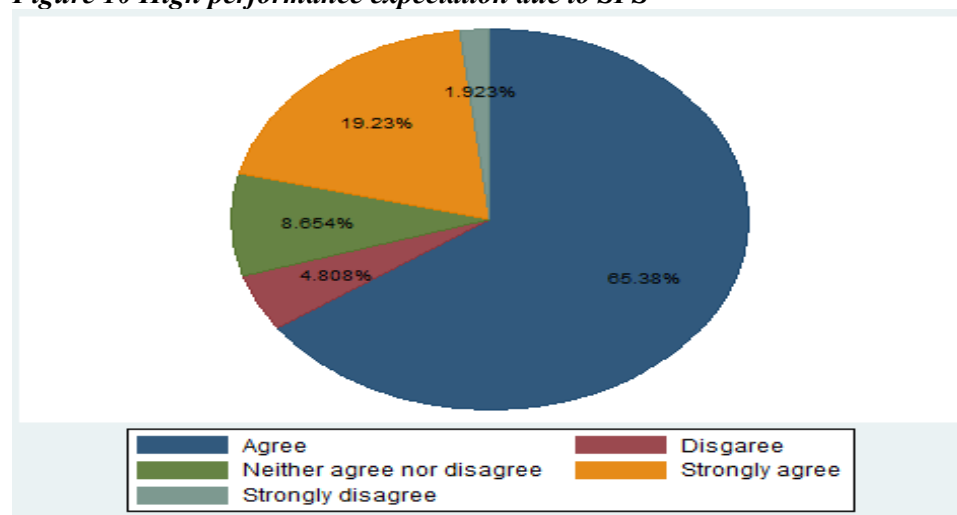
Result: 40.4% “Agreed” and 16.3% “Strongly agreed” that SPS is a major motivating force for them in a situation where they are asked to work for extra time or on holidays. However, 27% respondents “disagreed” to this. Note that there is no provision of overtime allowance except for drivers.

Discussion: Instilling a sense of responsibility in 69% employees (42.7%+26.2%) and motivating them for doing extra work (57%) are indeed great achievements on the part of SPS. Herzberg’s research has identified that true motivators are notably: achievement, recognition, work itself, responsibility, advancement (Berman et al., 2006). According to him, responsibility is a true motivator and SPS has just exerted it. Pay, according to Herzberg is Hygiene factor but it can instill responsibility which is a Motivator factor. Hence, indirectly Pay can take the role of motivator factor as well. As established by Bruce & Pepitone (1998, p.1) and Kumar & Sharma (2001, p.585), that employees’ motivation can be influenced but only he can do it. Responsibility is an effective tool in this regard then.

Q.12 Do you agree that after the adoption of SPS, high performance is being expected or demanded from you?

a. Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

Figure 10 High performance expectation due to SPS



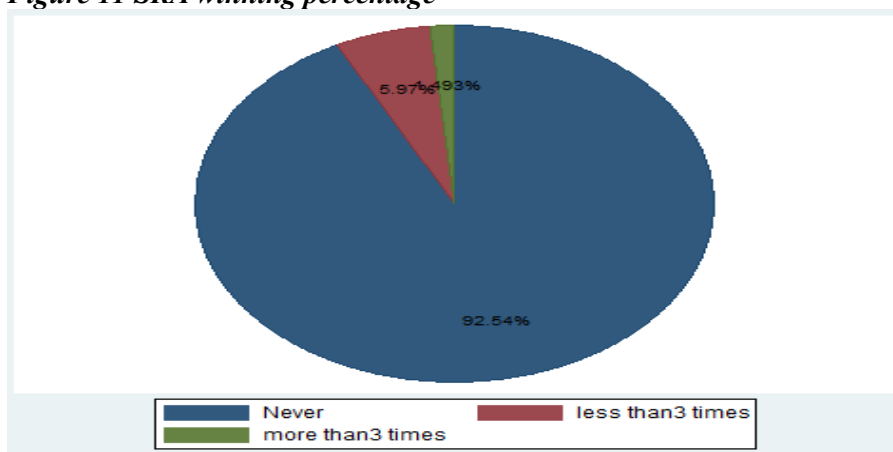
Result: 65.4% “Agreed” and 19.2% “Strongly agreed” that after the adoption of SPS high performance is being expected from them. A minimal 6.7% however “disagreed”.

Discussion: Realization of high performance expectation by employees (almost 85%) due to SPS puts them under moral obligation to live up to it. Expectation by the employer, of which employees are well aware (65.4+19.2%), and responsibility accepted by the employees (69%), as given in the previous question, makes up conducive environment for improved performance.

Q.13 How many times you could not get Special Research Allowance (SRA) due to low grades in PER (only scientists and para-scientific staff to answer)?

a) Never b) less than 3 times c) more than 3 times

Figure 11 SRA winning percentage

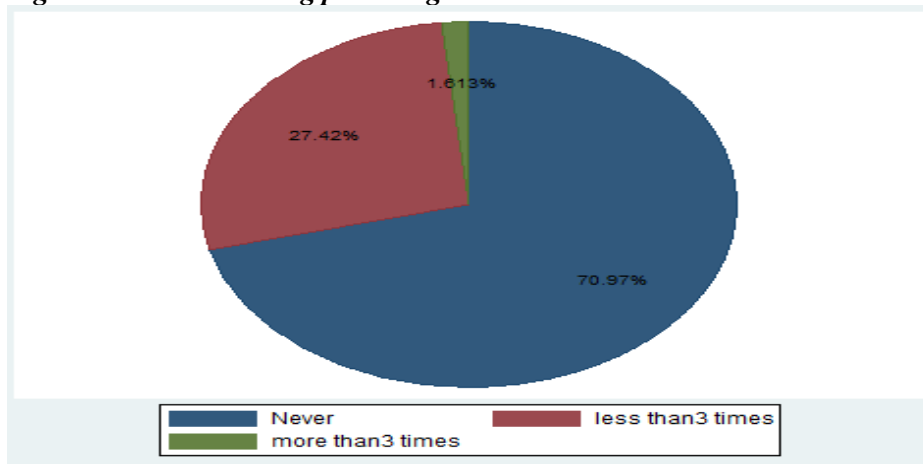


Result: 92.5% Scientists and Para-scientists “Never” failed to win performance based allowance i.e Special Research Allowance (SRA) @30% of Basic Pay, which is contingent on getting 70% marks in the Performance Evaluation Report (PER). 6% failed to win it for less than “three times” whereas 1.5% failed to win it “more than three times” since the adoption of SPS on 01-07-2007.

Q.14 How many times you could not get Additional Special Research Allowance (ASRA) since the adoption of SPS (only scientists to answer)?

- a) Never b) less than 3 times c) more than 3 times

Figure 12 ASRA winning percentage



Result: The winning percentage drops to 71% for the Additional Special Research Allowance (ASRA) @20% of Basic Pay which is admissible on getting more than 80% marks in the PER. 27.4% failed to win it for less than “three times” whereas 1.5% “more than three times”.

Discussion: This means that 92.5% scientists and para scientists have got more than 70% marks in their Performance Evaluation Report (PER) whereas 71% scientists have got more than 80% marks. By any means, in the given system, this is an appreciable performance. Let us see the actual PER average scores of some randomly selected Scientists and Para-Scientists before and after the introduction of SPS in the following tables;

Table 4 Scientists' average PER scores before and after the introduction of SPS

No	Designation	Ave After SPS (2008-2015) (8 years)	Ave Before SPS (2001-2007) (7 years)	Aggreg. Ave After SPS (2008-2015) (8 years)	Aggreg. Ave Before SPS (2001-2007) (7 years)
1	Chief Scientist-II	87	84		
2	Chief Scientific Officer	85	82		
3	Chief Scientific Officer	84	81		
4	Principal Scientific Officer	88	84		
5	Principal Scientific Officer	81	70		
6	Principal Scientific Officer	83	84	83	79
7	Senior Scientific Officer	77	82		
8	Senior Scientific Officer	78	64		
9	Senior Scientific Officer	82	81		
10	Senior Scientific Officer	84	82		

Source: Directorate of HR

Table 5 Para-Scientists' average PER scores before and after the introduction of SPS

No	Designation	Ave After SPS (2008-2015) (8 years)	Ave Before SPS (2001-2007) (7 years)	Aggreg. Ave After SPS (2008-2015) (8 years)	Aggreg. Ave Before SPS (2001-2007) (7 years)
1	Assistant Field Officer	79	75		
2	Assistant Field Officer	85	85		
3	Scientific Assistant	82	82		
4	Lab Attendant	85	80		
5	Lab Attendant	83	76	82	74
6	Farm Attendant	80	74		
7	Farm Attendant	83	75		
8	Field Assistant	76	58		
9	Lab Assistant	85	66		

Source: Directorate of HR

As we can see, in Table 4, for 10 Scientists the aggregate average score before SPS was 79 and after the SPS is 83. Similarly, in Table 5, for 9 Para-Scientists the aggregate average score before SPS was 74 which shot to 82 after the SPS. It is interesting to note here that for the second allowance, the ASRA for Scientists, the minimum required score is >80 and the aggregate average score for the randomly selected 10 Scientists has just surpassed that mark after the SPS. So, we can assume that SPS has played some role in enhancing performance. This is, however, a negation of Kellough and Lu (1993) who established that merit pay systems were little effective in employee as well as organization performance. Also Houston (2009) and Perry et al (2009) claim that these systems have never succeeded to boost up long-term organizational performance citing that these are easily influenced by various circumstantial factors.

However, one thing more I should mention here that the amounts of SRA and ASRA are fixed i.e 30% and 20% respectively and a person getting 81 score wins the same amount as the one who scores 95. Similarly, a person scoring 80 does not win ASRA while the one scoring 81 gets it. The beauty of performance pay is when it is variable so that the more one works hard, the more he gets reward for it.

Q.15 Would you agree that SPS has lifted the spirit and motivation of your subordinates/ colleagues?
a) Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

Result: 47% “Agreed” and 19% “Strongly agreed” that SPS have lifted the spirit of their colleagues and subordinates. 15% however “disagreed”.

Discussion: 66% (47+19) witness change in their colleagues and subordinates. In Pakistani society normally people talk to each other and they share their feelings with each other quite freely. That is why this question was asked just to have a general opinion of the employees whether they see any change in their surrounding due to SPS.

Q.16 Do you think SPS is helpful in monitoring the performance of your subordinates and imposing penalties when required?

a) Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

Result: Around 40% “Agreed” (including 5% strongly agreed) that SPS is an effective tool to maneuver the performance of their subordinates. A significant number of 37.7%, however “disagreed”.

Discussion: Low score here is obvious because only a portion of the SPS i.e two types of allowances (SRA & ASRA) are contingent on performance and that too only for scientists and para-scientists. Other cadres have nothing to show for increased pay. They are getting all their stipulated pay without having to show any extra effort, at least for pay.

Interpretation

The impact of SPS on performance level was sought through 7 questions in this section, which produced the following percentage scores. All these questions were directly related to SPS. Hence, any impact caused can easily be attributed to SPS.

Table 6 Results of “Job Performance Level” Section

No	%	Response
1	69	Feel additional responsibility due to SPS
2	57	Feel motivated due to SPS while working extra time
3	85	Realize high performance is expected from them due to SPS
4	92	Were successful in winning SRA which is subject to getting 70% score in PER
5	70	Were successful in winning ASRA which is subject to getting 80% score in PER
6	66	Feel SPS has lifted the spirit of their colleagues
7	40	Think SPS is helpful in monitoring subordinates’ performance

In 6 out of 7 questions, the impact is positive and more than 50%. From this we can conclude that in enhancing the performance, though in most cases indirectly, SPS is still playing its role. This nullifies our first hypothesis that pay rise cannot maintain high level of performance for a longer period of time.

4. Job Satisfaction Level

In this section, six questions (Q.17 to Q.22) were asked to determine whether SPS has exerted any effect on the level of job satisfaction.

Q.17 Did SPS package fulfill all your expectations from it?

a) Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

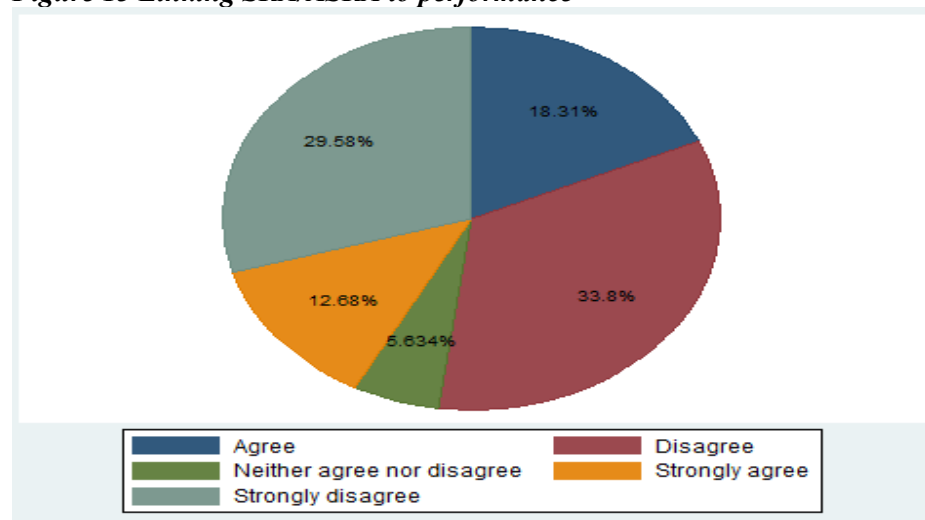
Result: 36.9% “Agreed” and 10.7% “Strongly agreed” that SPS have fulfilled all their expectations from this package. 25% however didn’t agree.

Discussion: The ratio of those whose expectations were fulfilled (48%) is a little on the lower side but those who disagreed are only half of it (25%). This is because a high percentage of 27% neither agreed nor disagreed to the statement. Further scrutiny reveals that 30 out of 61 Scientists agree while 20 do not agree to the statement. So the ratio for them almost remains the same as for the total (around 50%). This partially negates the perception, as expressed in Chapter-I, that subjecting SRA and ASRA to performance might have disappointed the Scientists and their expectations from SPS will be less fulfilled than others.

Q.18 Do you think the grant of SRA (Special Research Allowance) and ASRA (Additional Special Research Allowance) on the basis of ACR is a good idea? (only scientists and para-scientific staff to answer)

a) Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

Figure 13 Linking SRA/ASRA to performance

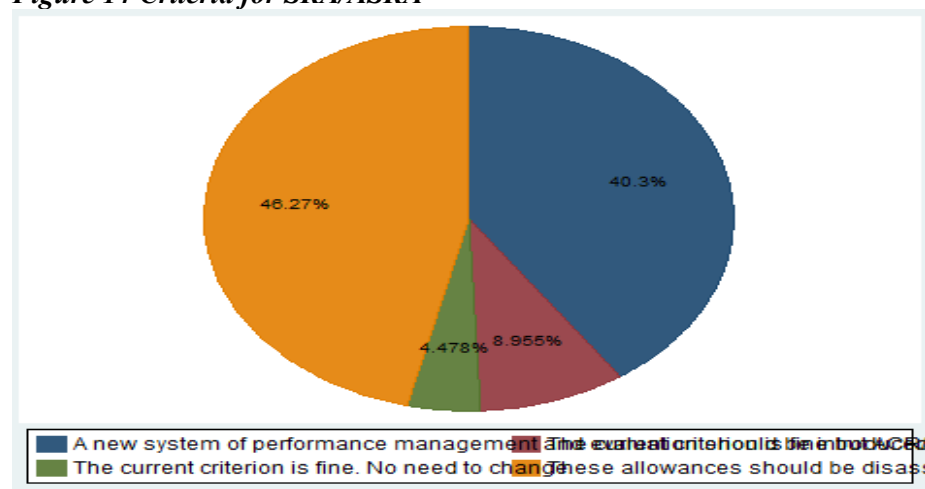


Result: A mere 12.7% of the scientists and para-scientists “Strongly Agree” and 18% “Agree” to the statement that subjecting Special Research Allowance (SRA) and Additional Special Research Allowance (ASRA) to performance was a good idea. Whereas a high ratio of them negate the statement with 29.6% “Strongly disagree” and 33.8% “disagree”.

Q.19 How should these two allowances be granted?

- a) The current criterion is fine. No need to change.
- b) The current criterion is fine but PER evaluation should be made more fair and transparent.
- c) A whole new system of performance management and evaluation should be introduced to avoid biasness and favoritism.
- d) These allowances should be disassociated from PER evaluation.

Figure 14 Criteria for SRA/ASRA



Result: To the question as how should these two allowances (SRA & ASRA) be granted only 4.5% said that the “current criteria are fine”, whereas 46.3% said “these should be disassociated from performance” while 40.3% were of the view that “a new system of performance management and evaluation should be introduced to avoid biasness and favoritism”.

Discussion: A high percentage of 63.4% (29.6+33.8) are critical of linking these two allowances to performance whereas 46.3% are of the view to disassociate it from performance. 40.3% however would like a new system of performance management and evaluation to be introduced. This endorses Ryan and Deci (2000) that threats, deadlines, directives and competition pressure are seen by employees as controllers of

their behavior which negatively affect their behavior. Also important factor here is the ambiguity of performance measurement due to nature of work (Milkovich and Wigdor, 1991). Agricultural research is kind of work which sometimes requires years to produce ultimate results whereas performance is measured on yearly basis. Moreover, there are reservations regarding unfair evaluation and favoritism. Hence, it is no wonder that the current criteria of obtaining more than 80% score in the Performance Evaluation Report for winning SRA and ASRA are not popular among the Scientists.

Q.20 I am satisfied with the salary I draw at present.

a) Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

Result: Around 70% of the respondents are “Satisfied” with their current salary whereas 12% are not.

Discussion: As per Two-Factor theory, “Salary” is a hygiene factor and it can be helpful in decreasing dissatisfaction (Hackman et al, 1976). Hence, we can say that “Salary” has decreased pay related dissatisfaction of 70% employees.

Q.21 Do you agree that the amount of SRA (30%) and ASRA (20%) are sufficient for getting more than 80% marks in PER? (only scientists and para-scientific staff to answer)

a) Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

Result: Around 56% of the scientists and para-scientists think the amount of SRA and ASRA @30% and 20% of the Basic Pay respectively are “Sufficient” for the required performance but 17% think otherwise.

Q.22 Do you like working here?

a) Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

Result: Around 80% respondents “liked” working at PARC whereas only 5% did not.

Discussion: Though there are reservations on subjecting SRA and ASRA to performance and on performance evaluation system but generally majority of the employees are happy with the amount of SRA & ASRA, their current pay, and working at PARC. According to two-factor theory, all these factors i.e salary, good pay and working environment are hygiene factors which help in relieving dissatisfaction.

Interpretation

The impact of SPS on satisfaction level was discovered in 6 questions in this section, which produced the following percentage scores. Except the last question, all others were directly related to SPS, hence any impact witnessed therein can be attributed to SPS.

Table 7 Results of “Job Satisfaction Level” Section

No	%	Response
1	48	Feel SPS has “fulfilled” their expectations. 25% disagreed. 27% were neutral
2	31	Feel subjecting SRA/ASRA to performance is a “good idea”. 63.4% disagreed
3	4.5 46.3 40.3	Think the current criteria for winning SRA/ASRA is “fine” Think SRA/ASRA should be “disassociated from performance” Think a “new criteria” should be devised
4	70	Are satisfied with their “salary”
5	56	Think the amount of SRA and ASRA is “sufficient”
6	80	“Like” working in PARC

In Q.1, the response is positive but just under 50%, but the negative response is only half of it i.e 25%. Hence, we can say that the impact is positive but less than 50%. In Q.2 and 3, there are strong reservations on subjecting SRA/ ASRA to performance and on the current criteria for these allowances. More Scientists and para-scientists are in favor of disassociating these from performance (46.3%) rather than revising the criteria (40.3%), however the figure is less than 50%. Nevertheless, these reservations are not about the whole SPS package but are limited to two allowances which too are admissible only to Scientists and Para-scientists. General perception about SPS as a whole was much better as evident from the first question here. Question 4 is about “salary” and Question 5 about SRA/ASRA, which is “performance pay or good pay” and these two are among the Hygiene factors which are responsible for decreasing dissatisfaction. In the last 3 out of total 6 questions, the impact is positive and more than 50%.

From this we can conclude that SPS has been successful in decreasing the dissatisfaction level of employees. This validates our second hypothesis that Pay rise helps decrease dissatisfaction.

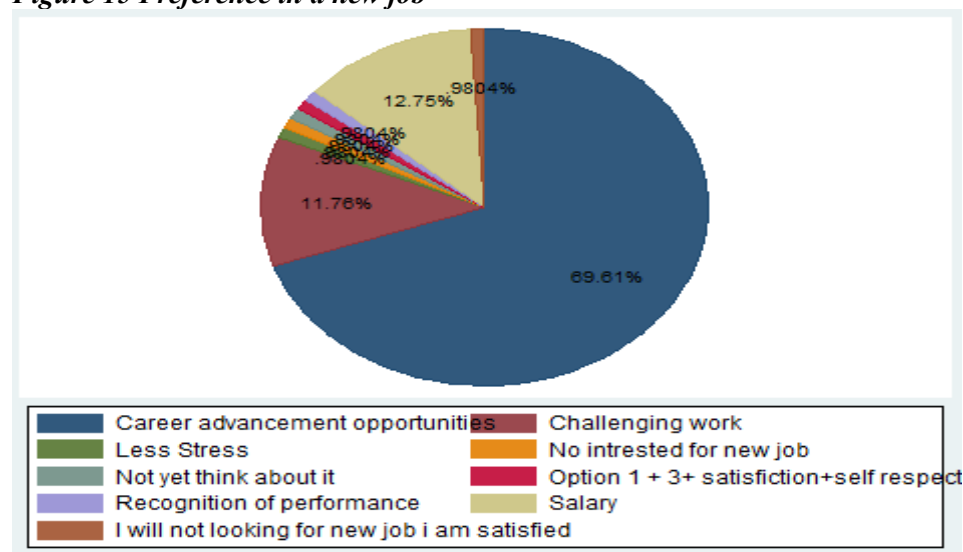
5. Retention

In this section, eight questions (Q.23 to Q.30) were asked to determine whether SPS has helped in retaining the employees.

Q.23 If you look for a new job, (in a new organization) what will be your preference?

- a) Career advancement opportunities
- b) Challenging work
- c) Salary
- d) Less stress
- e) Any other.....

Figure 15 Preference in a new job



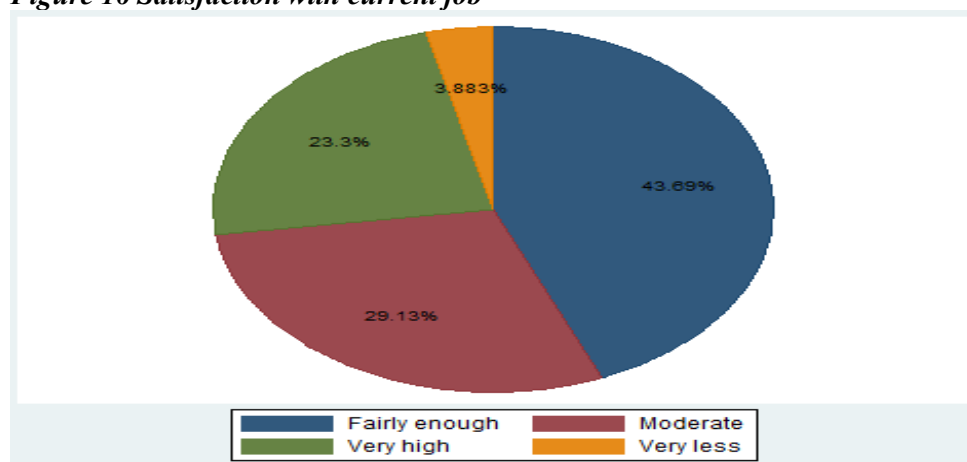
Result: “Career advancement opportunities” is the first preference of 69.6% respondents when looking for a new job in a new organization whereas 12.7% said their preference is “Salary”. 11.8% were those who look for “challenging work” in a new job.

Discussion: People who are already in service tend to be more concerned about their future growth opportunities, hence this was quite normal that “Career advancement opportunities” got most clicks. On further scrutiny, it was observed that most of these 69.6% are those officers who are already in higher ranks and the opportunity for them to go further up the ladder are comparatively limited (Chief Scientific Officer 4/4, Principal Scientific Officer 15/20, Director 2/5, Dy. Director 8/8).

Q.24 How much are you satisfied with the current job?

- a) Very high
- b) Fairly enough
- c) Moderate
- d) Very less
- e) Not at all

Figure 16 Satisfaction with current job

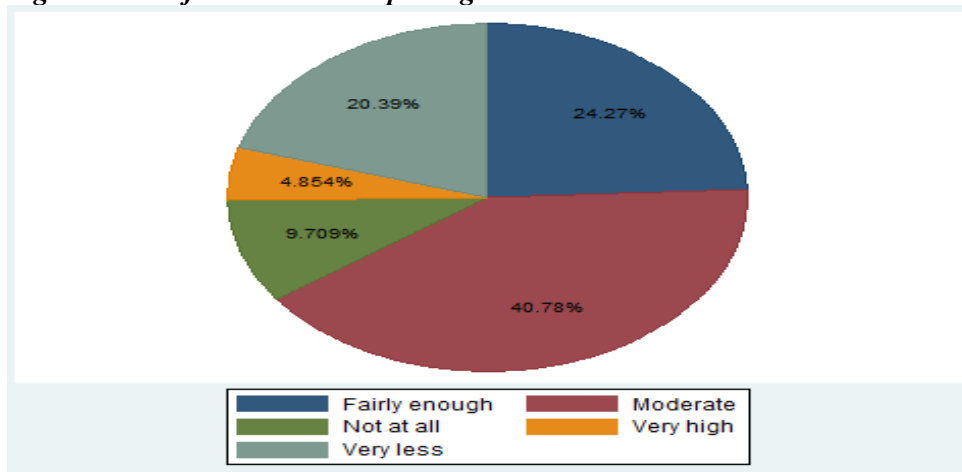


Result: 67% respondents are satisfied with their current job (23.3% “very high”, 43.7% “fairly enough”) while 29.1% “moderately” and only 3.9% were “very less” satisfied. No body opted for the “Not at all” option.

Discussion: Job comprises of many things like salary, job security, working conditions, career advancement opportunities, related stress level, relatedness to life goal etc. As given in the previous sections around 70% people are happy with their “Salary” (Job Satisfaction Level) and 57% people are those who have joined PARC due to “Job Security” (Motivation Drivers Section). Similarly, in one of the following questions, “Job Security”, “Satisfaction due to Serving the Public” and “Pay Package” have got maximum likes regarding working experience in PARC. That is why such a high ratio of people are happy with their current job in PARC where “Salary” is an integral factor.

<p>Q.25 To what extent do you feel that quitting the present job will give you a more satisfied job?</p> <p>a) Very high</p> <p>b) Fairly enough</p> <p>c) Moderate</p> <p>d) Very less</p> <p>e) Not at all</p>
--

Figure 17 Confidence level on quitting



Result: 5% respondents were “Very highly” confident, 24.3% “fairly enough” and 40.8% “moderately” confident that, while quitting the current job, they can find a more satisfied job, 20.4% were “very less” and 9.7% “Not at all” confident.

Discussion: A very low ratio of employees is hopeful of getting a more satisfied job elsewhere. But being so much satisfied with their current job, cannot be wholly attributed to “Salary”. However, the following question where “Salary” has been ranked as the second most effective reason (42.7%) for continuing on with PARC job does show the impact of “Salary” in this trend.

Q.26	For what two reasons would you continue working in PARC?
a)	Career advancement opportunities
b)	Challenging work
c)	Salary
d)	Less stress
e)	Any other.....

Result: On asking about what two reasons shall make you continue working in the Council, 51.5% opted for “Career advancement opportunities” whereas 42.7% for “Salary”.

Discussion: Out of 5 options “Salary” was the 2nd most influential thing in retaining employees. “Career advancement opportunities” obviously is of paramount importance to people who are already in service. We will later see that “Salary” is comparatively more instrumental in attracting new employees rather than retaining existing ones as what Rynes et al (1983) argued, discussed in Chapter-II.

Q.27 Please rank the following as 1, 2, 3 up to 6 regarding your employment experience with PARC (1 being the best and 6 the worst).

a)	Positive work environment	<input type="text"/>
b)	Pay package	<input type="text"/>
c)	Proper balance of work	<input type="text"/>
d)	Job security	<input type="text"/>
e)	Satisfaction due to serving the nation	<input type="text"/>
f)	Opportunities for personal advancement	<input type="text"/>

Result: To rank the above 6 attributes from 1 to 6 (1 being the best and 6 the worst), on the basis of employment experience in PARC, the responses received are given in the following table. Responses only for rank 1, 2 and 3 are hereby considered and they are assigned 3, 2 and 1 points respectively for calculation of total score for each option. Total points are then converted to %age scores.

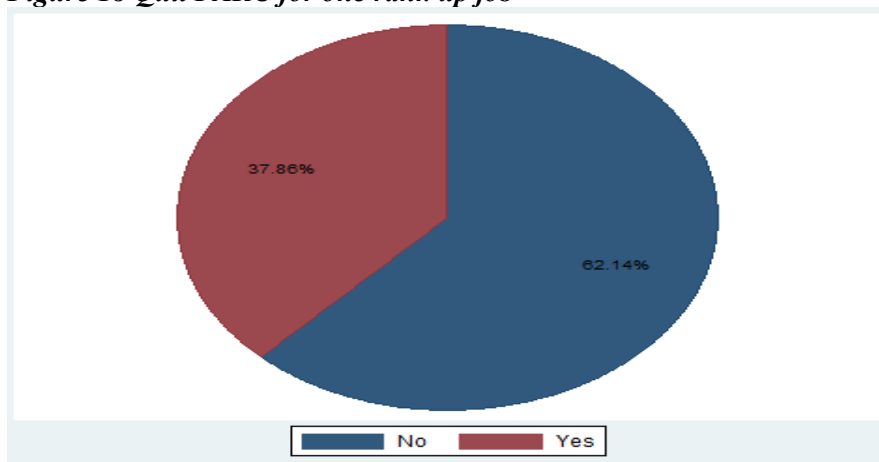
Table 8 Ranking results of attributes

Rank → Attribute ↓	1 st	2 nd	3 rd	Total Score/total possible score x 100= $\frac{1^{st} \times 3 + 2^{nd} \times 2 + 3^{rd} \times 1}{330} \times 100$
Positive work environment	24	34	27	167/330= 50%
Pay Package	35	44	15	208/330= 63%
Proper balance of work	13	27	31	124/330= 37%
Job security	47	39	8	228/330= 69%
Satisfaction due to serving the public	42	32	15	205/330= 62%
Opportunities for personal growth	15	32	30	139/330= 42%

Discussion: “Job Security” got highest score of 69% and “Pay Package” got second highest score of 63%. “Satisfaction due to serving the public” got 62% and is the third highest. This implies that Out of 6 available options, “Job Security” has been the most favorite feature of PARC service whereas “Pay Package” the second most favorite. However, “Job Security” is a common feature in most of public service jobs unlike “Pay Package”. In other words, we can say that “Pay Package” is effectively the most distinctive feature of PARC service. So “Job Security” can halt exits to highly competitive International Organizations, whereas “Pay Package” can safeguard against miser public sector offers.

Q.28 If you get a job outside PARC (one grade up from your current post but with BPS) will you quit PARC?
a) Yes b) No

Figure 18 Quit PARC for one rank up job



Result: 62.1% say they will not leave their current job even if they are offered one rank higher position in Basic Pay Scales (BPS) elsewhere, whereas 37.9% say they will.

Q.29 If YES, what will be the reason to leave PARC?

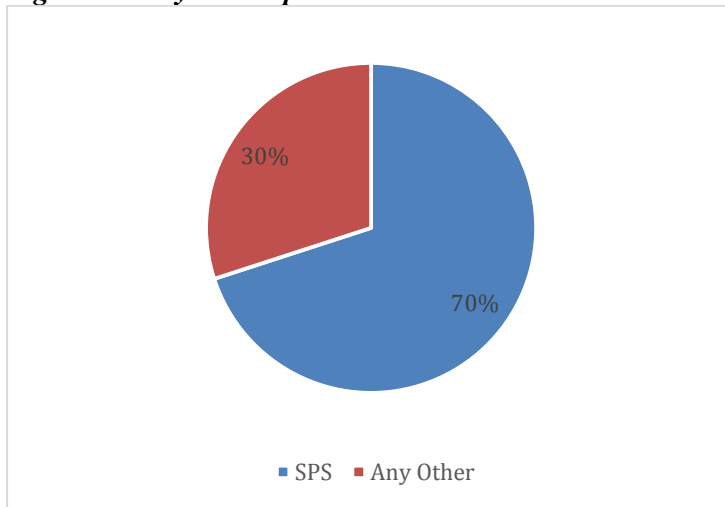
- a) Career growth
- b) Better pay package
- c) Any other reason.....

Result: 79.1% of those who would leave, attribute their decision to “career growth” whereas 9.3% to “better pay package”.

Q.30 If NO, what will be the reason **NOT** to leave PARC?

- a) SPS
- b) Any other reason.....

Figure 19 Why would quit PARC



Result: 70.4% of those who would not leave, attribute their decision to “SPS” whereas 29.6% to “other”.

Discussion: Here SPS alone is the source of retaining 70.4% of those 62.5% employees who would forego a better position elsewhere for PARC job. Also, 79.1% of those 37.5% employees, who would leave in the given scenario, are career oriented, hence they can hardly be trapped by salary.

Interpretation

The impact of SPS on retention was explored through 8 questions in this section, which produced the following percentage scores. Except question 2 and 3, all others were directly related to SPS, hence any impact witnessed therein can be attributed to SPS.

Table 9 Results of “Retention” Section

No	%	Response
1	70	Preference is “Career Advancement Opportunities” while looking for a new job
	13	Preference is “Salary” while looking for a new job
2	67	Are “satisfied” with the current job
3	5	Are “very highly” confident that if they quit this job they can find a more satisfied job
	24.3	Are “fairly enough” confident that if they quit this job they can find a more satisfied job
	41	Are “moderately” confident that if they quit this job they can find a more satisfied job
4	51.5	Would continue working in PARC due to “Career Advancement Opportunities”
	43	Would continue working in PARC due to “Salary”
5	69	“Job Security” ranked 1 st among 6 factors regarding PARC employment experience
	63	“Pay Package” ranked 2 nd among 6 factors regarding PARC employment experience
	62	“Serving the Nation” ranked 3 rd among 6 factors regarding PARC employment experience
6	62.5	Will “decline” if offered one rank up position elsewhere with Basic Pay Scales. 37% will not.
7	79	Of the 37% will join in pursuit of “Career Growth”. Only 9.3% for better pay
8	70	Of the 62.5% will decline because of “SPS”. 30% for “other reasons”

In question one, “Salary” was declared as their first preference only by 13% whereas “Career Advancement Opportunities” by 70%. Hence, “Salary” is not a matter of concern for them while finding a new job, but “Career Advancement Opportunities” is.

If we combine question 2, 3 and 4, we reach the conclusion that a very low ratio of around 29% is confident of finding a better job than in PARC whereas 67% employees are satisfied with their current job, of which 43% are due to “Salary”. Results in question 5 reveal that “Pay Package” ranked 2nd among 6 best features related to PARC job. As regards question 6, 7 and 8, it can be concluded that; if offered a one rank better position in BPS elsewhere, 62.5% will decline the offer, of which 70% will decline it because of “SPS” in PARC.

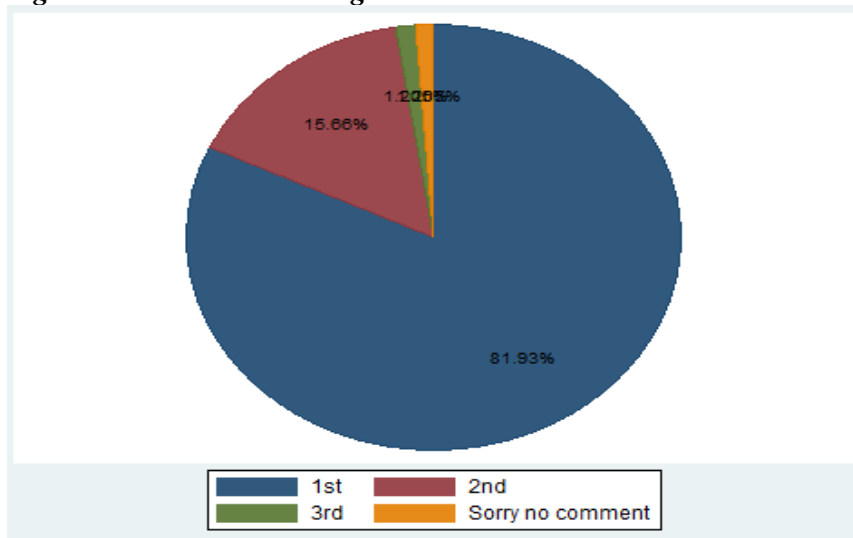
Except the first question, the rest, in combination, present a positive relationship between “SPS” and retention, hence we can say that this validates the first part of our third hypothesis that pay rise helps reduce turnover of employees.

6. Attracting New Talent

In this section, four questions (Q.31 to Q.34) were asked to determine whether SPS has helped in attracting new employees. Questions in this section were asked only from those who were recruited after the adoption of SPS i.e 01-07-2007.

Q.31	In which Division did you pass your last academic degree?		
a) 1 st	b) 2 nd	c) 3 rd	d) Sorry no comment

Figure 20 Division in last degree

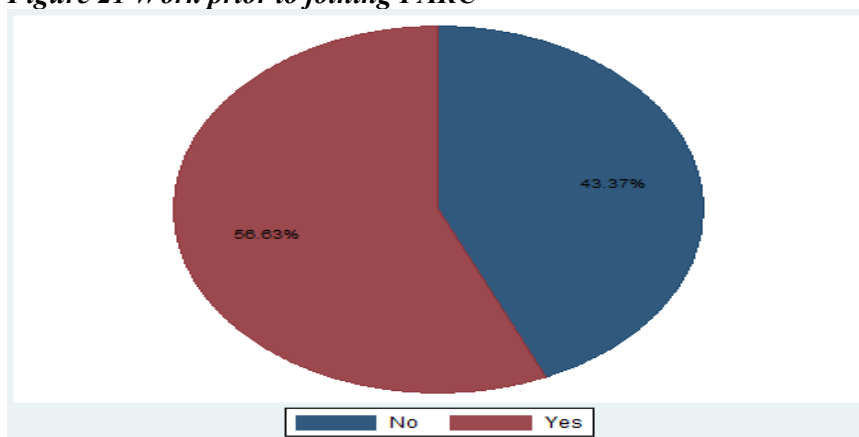


Result: 82% passed their last academic degree by securing “first division” whereas 15.7% secured “second division”.

Q.32 Did you work anywhere before joining PARC?

a) Yes b) No

Figure 21 Work prior to joining PARC



Q.33 Why did you leave that job?

- a) Due to low pay
- b) I got better post here
- c) Any other reason.....

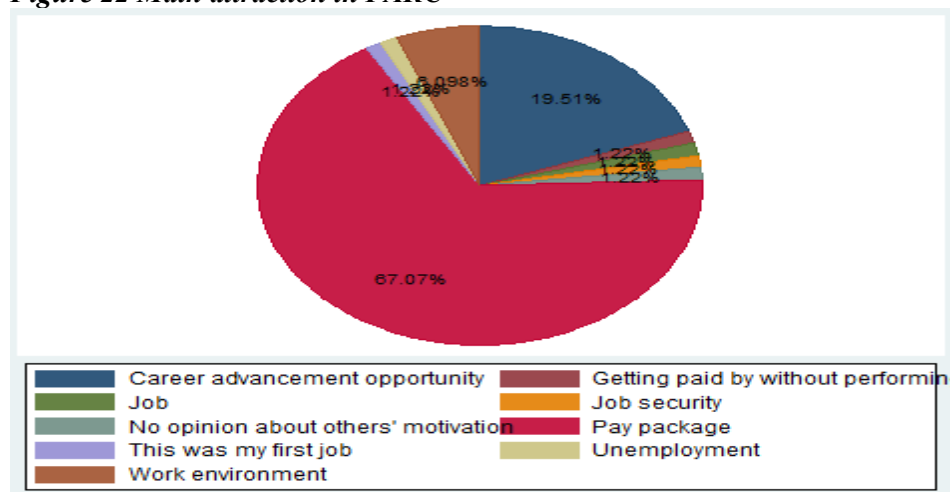
Result: 56.6% respondents worked somewhere before joining PARC of which 63.8% left their previous job because they “got better positions here” in PARC whereas 8.5% left due to “low pay”.

Discussion: This implies that a very high ratio of first division holders (82%) has been recruited however, only 8.5% of those 56.6% persons who had jobs before joining PARC, have been attracted by higher pay. The rest 63.8% actually got better jobs in PARC, hence the impact of SPS on their decision cannot be determined.

Q.34 In your opinion what is the main attraction for most people in joining PARC?

- a) Pay package
- b) Work environment
- c) Career advancement opportunity
- d) Any other reason.....

Figure 22 Main attraction in PARC



Result: 67.1% say “Pay” is the main attraction for most people in joining PARC whereas 19.5% say “Career advancement opportunities”.

Discussion: This is very much in line with the argument of Rynes et al (1983), discussed in Chapter-II, that pay is more important in joining a new job than in deciding to quit the current one, because in case of new job, pay is one of the very few things known to the candidate whereas for the one, who is already working, there are numerous other factors as well which play its role in making a decision. This has been empirically proved because in Retention Section, “Salary” was the 2nd most influential thing in retaining employees with 42.7% after “Career advancement opportunities” whereas here it is at number 1 with 67.1% in attracting new entrants.

Interpretation

The impact of SPS on attracting new employees was determined in 4 questions in this section, which produced the following percentage scores. 2 questions were directly related to SPS, hence any impact witnessed therein can be attributed to SPS.

Table 10 Results of “Attracting New Talent” Section

No	%	Response
1	82	Passed their last academic degree by securing 1 st division
2	56.6	Worked somewhere before joining PARC
3	8.5	Left their previous jobs because of low pay. 64% because of getting better positions here
4	67	Say “Pay Package” is the main attraction in joining PARC.

Question 1 was about their academic achievements so that to know about their marketability. Question 2 and 3 can only give us the information that; of the 56.6% who were having jobs prior to joining PARC, only 8.5% left their previous jobs because of attractive pay package in PARC. 64% of them got better ranked positions in PARC so the element of pay, in their joining PARC, cannot be measured. For a substantial ratio of 67%, the main attraction in joining PARC is “Pay Package”.

From this we can conclude that a handsome ratio of 82% new entrants are 1st division holders and 67% of them are impressed by SPS. However, there is proof of only 8.5% new entrants attracted by SPS. Hence, we cannot confidently say that the second part of our third hypothesis, that pay rise helps attract new talent, is validated. This is subject to further research.

Conclusion

From the findings, it can be transpired that the package of Special Pay Scales (SPS) has maintained high level of motivation even after 9 years of its introduction. It was evident that employees sense additional responsibility when they realize they get more remuneration than other government employees. PARC is one of the very few government agencies which has adopted the SPS package, whereas most others are still following the conventional Basic Pay Scales. This difference in pay packages has embedded in them a sense of being privileged class of the society. And that just arouses their sense of responsibility. Nevertheless, this feeling of being a privileged class might sustain with only those workers who have seen the switchover from BPS to SPS. Hence, the responsibility, so created by the SPS, will prevail till majority of these workers are in service.

There is little more which this study has divulged that it is not necessary that public servants are driven primarily by intrinsic motivators and that extrinsic motivators may crowd the intrinsic motives out of them. In fact, extrinsic motivator i.e SPS in this case, has instilled a sense of responsibility which is an intrinsic motivator. Hence, an extrinsic motivator can stimulate an intrinsic motivator. Nevertheless, as argued by deCharms (1968), satisfaction of psychological needs should be tied with a sense of autonomy which is a prerequisite for maximizing the intrinsic motivation. That is why the idea of subjecting Special Research Allowance and Additional Special Research Allowance to performance was largely rejected by the scientists and para-scientists.

SPS was also helpful in decreasing pay related dissatisfaction and in retaining employees. There was a trend when workers would even leave for a similar rank position elsewhere. Retaining a highly qualified bunch of workers was not easy especially when not only pay was low but also growth opportunities were scarce. Career oriented workers would leave for other government agencies whereas moneymakers' heaven was in international organizations. SPS has not only reduced

exits to the latter but it has also compelled those who seek career opportunities elsewhere to think at least twice before leaving.

New entrants also find SPS as the most attractive feature of PARC job, however there was little imperative evidence that it helped in actually attracting them. Further research may come up with concrete evidence but the trend of inward deputation from other government agencies, and later vying for permanent absorption in the Council, has increased considerably. There are cases when even former employees of the Council, who had left for better positions in the past, rejoined. Some exercised their right of reversion and rejoined within two years of their selection in other agencies.

Performance related pay works well in those settings where (i) goals are SMART and well explained. By SMART we mean Specific, Measurable, Attainable, Realistic and Time-bound. There is a perception that research goals are hard to be set. Yes, if one is doing it the first time. But there have been numerous exemplary workers in the Council whose entire career and their achievements can be set on a timeline for making them benchmarks for others. For this purpose, one best retired worker from each research program can be selected and his work can be set as periodic targets for others, (ii) performance evaluation is fair, transparent and systematic. This is very important. If a goal is well set, then evaluation becomes easy, however it should be done fairly and without any leniency. Free riders would spoil the hard set environment.

For a long term sustainable program of performance enhancement and retention, a systematic service structure is indispensable. The promotion criteria should be such that each worker is aware of his future growth opportunities in the Council. Nothing can stop him from producing his best if he is aware of his goal, he believes in performance evaluation system and he knows the ultimate fruit. This can bring the best out of him.

Reference

1. Allen, M. M. C. (2014), 'Hirschman and Voice', in A. Wilkinson, J. Donaghey, T. Dundon and R. Freeman (eds), *The Handbook of Research on Employee Voice*, Cheltenham and New York: Edward Elgar Press, pp. 36-51. DOI: 10.4337/9780857939272.00010
2. Berman, E.M., Bowman, J.S., West, J.P., & Van Wart, M., 2006. *Human resource management in public service: Paradoxes, processes, and problems*. Sage Publications, Inc.
3. Bruce, Anne & Pepitone, James S. (1998). *Motivating employees, A briefcase book*, McGraw-Hill Professional
4. deCharms, R. (1968) *Personal causation*. New York: Academic Press.
5. Deci, E. L., & Ryan, R. M. (1985) *Intrinsic motivation and self-determination in human behavior*. New York: Plenum.
6. Deci, E. L. (1971). Effects of externally mediated rewards on intrinsic motivation. *Journal of Personality and Social Psychology*, 18, 105–115.
7. Deci, E. L., & Cascio, W. F. (1972, April). Changes in intrinsic motivation as a function of negative feedback and threats. Presented at the meeting of the Eastern Psychological Association, Boston.
8. Deckop, John R., and Carol C. Cirka. 2000. The risk and reward of a double-edged sword: Effects of a merit pay program on intrinsic motivation. *Nonprofit and Voluntary Sector Quarterly* 29 (3): 400-418.
9. Farrell, D. 1983. Exit, Voice, Loyalty, and Neglect as Responses to Job Dissatisfaction: A Multidimensional Scaling Study, *The Academy of Management Journal*, 26(4): 596-607.
10. Frederickson, H. George. 1997. *The spirit of public administration*. San Francisco, CA: Jossey-Bass.
11. Frey, Bruno S, and Felix Oberholzer-Gee. 1997. The cost of price incentives. *American Economic Review* 87 (4): 746-755.
12. Frey, Bruno S., and Margit Osterloh. 2005. Yes, managers should be paid like bureaucrats. *Journal of Management Inquiry* 14: 96-111.

13. Greiner, John M., Roger E. Dahl, Harry P. Hatry, and Annie P. Millar. 1977. *Monetary Incentives and Work Standards in Five Cities: Impacts and Implications for Management and Labor*. Washington, DC: Urban Institute Press.
14. Hackman, J. Richard; Oldham, Greg R. 1976. "Motivation Through the Design of Work: Test of a Theory". *Organizational Behavior and Human Performance*. 16 (2): 250–279.
15. Harrison, D. A., Virick, M., & Williams, S. 1996. Working without a net: Time, performance, and turnover under maximally contingent rewards. *Journal of Applied Psychology*, 81, 331–345.
16. Herzberg, Frederick; Mausner, Bernard; Snyderman, Barbara B. (1959). *The Motivation to Work* (2nd ed.). New York: John Wiley
17. Herzberg, Frederick. 1968. "One More Time: How Do You Motivate Employees?" *Harvard Business Review*. 46 (1): 53–62.
18. Houston, David J. Motivating knights or knaves? Moving beyond performance-related pay for the public sector. Retrieved 1 September 2009 from <http://www.aspanet.org/scriptcontent/custom/staticcontent/t2pdownloads/HoustonCommentary.pdf>.
19. Kellough, J. Edward, and Haoran Lu. 1993. The Paradox of Merit Pay in the Public Sector: Persistence of a Problematic Procedure. *Review of Public Personnel Administration* 13(2): 45-64.
20. Khan, Jahanzaib, Humaira Arif Dasti and Abdul Rasheed Khan (2013) Feudalism is a Major Obstacle in the Way of Social Mobility in Pakistan. *Journal of the Research Society of Pakistan* [J.R.S.P., Vol. 50, No. 1, 2013]
21. Kumar, Arun & Sharma, Rachana (2001). *Personnel Management- Theory and Practice*, Atlantic Publishers & Distributers.
22. Milkovich, George T., and Alexandra K. Wigdor. 1991. *Pay for Performance: Evaluating Performance Appraisal and Merit Pay*. Washington, DC: National Academy Press.
23. Mitchell, Terence R. 1982. Motivation: New Directions for Theory, Research, and Practice, *The Academy of Management Review*, Vol. 7, No. 1, pp.80-88.

24. Moynihan, Donald P. 2008. The normative model in decline? Public service motivation in the age of governance. In *Motivation in public management: The call of public service*, eds., James L. Perry and Annie Hondeghem, 247-267. New York: Oxford University Press.
25. Pakistan: Country Study Guide, Strategic Information and Developments. [Vol. 1, 2015]
26. Pakistan Economic Survey (2014-15). Economic Adviser's Wing, Finance Division, Government of Pakistan, Islamabad
27. Pandey, Sanjay K., and Edmund C. Stazyk. 2008. Antecedents and correlates of public service motivation. In *Motivation in public management: The call of public service*, eds., James L. Perry and Annie Hondeghem, 101-117. New York: Oxford University Press.
28. Patch, Martin, 1965. Some questionnaire measures of employee motivation and morale: A Report on Their Reliability and Validity. Survey Research Center INSTITUTE FOR SOCIAL RESEARCH The University of Michigan
29. Perry, James L., and Lois R. Wise. 1990. The motivational bases of public service. *Public Administration Review* 50 (3): 367-373.
30. Perry, James L., and Annie Hondeghem. 2008. *Motivation in Public Management: The Call of Public Service*. Oxford: Oxford University Press.
31. Perry, James L, Trent Engbers, and So Yun Jun. 2009. Back to the future? Performance related pay, empirical research, and the perils of persistence. *Public Administration Review* 69 (1): 39-51.
32. Perry, James L., Debra Mesch, and Laurie Paarlberg. 2006. Motivating Employees in a New Governance Era: The Performance Paradigm Revisited. *Public Administration Review* 66(4): 505-14.
33. Ryan, Richard M., & Deci, Edward L. (2000). Intrinsic and Extrinsic Motivations: Classic Definitions and New Directions, *Contemporary Educational Psychology* 25, pp.55, 59.
34. Rynes, S. L., Gerhart, B., & Minette, K. A. (2004). The importance of pay in employee motivation: Discrepancies between what people say and what they do. *Human Resource Management*, 43, 381-394.

35. Rynes, S. L., Schwab, D. P. & Heneman, H. G. (1983). The role of pay and market pay variability in job application decisions. *Organizational Behavior and Human Performance*, 31, 353–364.
36. Stewart, G. L. (1996). Reward structure as a moderator of the relationship between extraversion and sales performance. *Journal of Applied Psychology*, 81, 619–627.
37. The Pakistan Development Review (1999), Coverage: 1961-2012 (Vol. 1, No. 1 - Vol. 51, No. 4), Published by: Pakistan Institute of Development Economics, Islamabad
38. Trank, C. Q., Rynes, S. L., & Bretz, R. D. (2002). Attracting applicants in the war for talent: Differences in work preferences among high achievers. *Journal of Business and Psychology*, 17, 331–345.
39. Trevor, C. O., Gerhart, B., & Boudreau, J. W. (1997). Voluntary turnover and job performance: Curvilinearity and the moderating influences of salary growth and promotions. *Journal of Applied Psychology*, 82, 44–61.
40. Turban, D. B., & Keon, T. L. (1993). Organizational attractiveness: An interactionist perspective. *Journal of Applied Psychology*, 78, 184–193.
41. Upchurch, M., M. Richardson, Tailby, S. Danford, A. and Stewart, P. 2006. Employee Representation and Partnership in the Non-Union Sector: A Paradox of Intention? *Human Resource Management Journal*, 16(4): 393-410).
42. Vandenabeele, Wouter 2007. "Toward a public administration theory of public service motivation: An institutional approach". *Public Management Review*. 9 (4): 545–556.doi:10.1080/14719030701726697
43. Weibel, Antoinette, Katja Rost, and Margit Osterloh. 2007. Crowding-out of intrinsic motivation-opening the black box. Retrieved 1 September 2009 from http://papers.ssrn.com/sol3/papers.cfm?abstract_id957770#PaperDownload

Appendix

Questionnaire

Dear Sir/Madam,

This survey is aimed to assess the effect of Special Pay Scales on performance and other behavioral actions of PARC employees. This is conducted as an academic requirement by the researcher who is a candidate for Master Degree at Seoul National University – Korea.

Please note that the questionnaire is designed to protect your identity and the answers you give cannot be tracked down. The results obtained from this study will be exclusively used for scholarly/academic purposes. I guarantee that the information provided here will be considered as confidential.

Thank you.

Encircle the preferred choice please. Mark those questions as N/A which do not apply to you.

Part A

Demographic information

1. What is your gender?
a) Male b) Female
2. What is your age?
a) Less than 30
b) 31 to 40
c) 41 to 50
d) 50 plus
3. Which cadre do you belong to?
a) Scientist b) Administration c) Accounts d) Other (Please specify)...
4. What is your current designation and grade?/SPS
5. Where are you currently posted?
a) PARC b) NARC c) Other (Please write).....
6. When did you join PARC service?
a) Before the adoption of SPS (01-07-2007) please write year
b) After the adoption of SPS (01-07-2007) please write year
7. Tick the highest academic qualification that you possess and write the year in which you achieved it?

Qualification	Year
a. PhD
b. M. Phil or equiv.
c. Master or equiv.
d. Bachelor
e. Intermediate
f. Matric or under

Part B

Motivation Drivers

8. What was the main reason behind your joining government service rather than private service?

- a. Job security
- b. Higher pay
- c. Respect
- d. Serving the nation
- e. Other (Please write).....

9. In your opinion, what type of incentives/benefits motivates a government employee more?

- a) Financial incentives
- b) Non-financial incentives (e.g awards, certificates, appreciation etc.)

Part C

Job Performance Level

10. Do you feel that SPS have put any kind of additional responsibility on you?

Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

11. Is it true that SPS plays a major role in motivating you for late setting or work on holidays, when required?

Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

12. Do you agree that after the adoption of SPS, high performance is being expected or demanded from you?

Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

13. How many times you could not get Special Research Allowance (SRA) due to low grades in PER (only scientists and para-scientific staff to answer)?

- a) Never b) less than 3 times c) more than 3 times

14. How many times you could not get Additional Special Research Allowance (ASRA) since the adoption of SPS (only scientists to answer)?

- a) Never b) less than 3 times c) more than 3 times

15. Would you agree that SPS has lifted the spirit and motivation of your subordinates/ colleagues?

a) Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

16. Do you think SPS is helpful in monitoring the performance of your subordinates and imposing penalties when required?

a) Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

Part D

Job Satisfaction Level

17. Did SPS package fulfill all your expectations from it?

a) Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

18. Do you think the grant of SRA (Special Research Allowance) and ASRA (Additional Special Research Allowance) on the basis of ACR is a good idea? (only scientists and para-scientific staff to answer)

a) Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

19. How should these two allowances be granted?

- a) The current criterion is fine. No need to change.
b) The current criterion is fine but ACR/PER evaluation should be made more fair and transparent.
c) A whole new system of performance management and evaluation should be introduced to avoid biasness and favoritism.
d) These allowances should be disassociated from ACR/PER evaluation.
e) Any other

20. I am satisfied with the salary I draw at present.

a) Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

21. Do you agree that the amount of SRA (30%) and ASRA (20%) are sufficient for getting more than 80% marks in ACR/PER? (only scientists and para-scientific staff to answer)

a) Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

22. Do you like working here?

a) Strongly agree b) Agree c) Neither agree nor disagree d) Disagree e) Strongly disagree

Part E **Retention**

23. If you look for a new Job, (in a new organization) what will be your preference?

- f) Career advancement opportunities
- g) Challenging work
- h) Salary
- i) Less stress
- j) Any other.....

24. How much are you satisfied with the current job?

- f) Very high
- g) Fairly enough
- h) Moderate
- i) Very less
- j) Not at all

25. To what extent do you feel that quitting the present job will give you a more satisfied job?

- f) Very high
- g) Fairly enough
- h) Moderate
- i) Very less
- j) Not at all

26. For what two reasons would you continue working in PARC?

- f) Career advancement opportunities
- g) Challenging work
- h) Salary

- i) Less stress
- j) Any other.....

27. Please rank the following as 1, 2, 3..... regarding your employment experience with PARC (1 being the best and 6 the worst).

- g) Positive work environment
- h) Pay package
- i) Proper balance of work
- j) Job security
- k) Satisfaction due to serving the nation
- l) Opportunities for personal advancement

28. If you get a job outside PARC (one grade up from your current post but with BPS) will you quit PARC?

- a) Yes
- b) No

29. If YES, what will be the reason to leave PARC? (If your answer is NO, leave this and go to next question)

- d) Career growth
- e) Better pay package
- f) Any other reason.....

30. If NO, what will be the reason **NOT** to leave PARC?

- c) SPS
- d) Any other reason.....

Part F

Attracting New Talent

(This section is only for those employees who joined PARC after the adoption of SPS on 01-07-2007)

31. In which Division did you pass your last academic degree?

- a) 1st
- b) 2nd
- c) 3rd
- d) Sorry no comment

32. Did you work anywhere before joining PARC?

- a) Yes
- b) No

33. Why did you leave that job?

- a) Due to low pay
- b) I got better post here
- c) Any other reason.....

34. In your opinion what is the main attraction for most people in joining PARC?

- a) Pay package

- b) Work environment
- c) Career advancement opportunity
- d) Any other reason.....

요약 (국문초록)

본 연구는 파키스탄에 소재한 파키스탄 농학연구 의회 (Pakistan Agricultural Research Council)의 임금상승효과를 분석하고자 직원의 성과와 행위 변화를 조사하였다. 구체적으로 살펴보면, 2007 년 시행된 임금상승이 직원의 성과, 만족도, 직원 유지, 그리고 신규 직원 모집에 미치는 영향을 분석하였다. 이 연구는 파키스탄 농학연구 의회의 직원들을 대상으로 시행한 설문조사를 토대로 단순확률 표본과 층화추출검증을 거쳤고 단일 백분율을 사용하여 데이터 분석을 실시하였다. 연구결과에 의하면, 임금상승 (SPS)은 직원의 높은 성과를 유지하는 것에 크게 기여하는 것은 물론, 직원의 불만족 수준과 이직률을 감소시키는 요인으로 작용하였다. 하지만 신규 직원 모집은 SPS 의 8.5% 수준에 그친 것으로 보아 추후 연구가 더 보완될 필요가 있다고 판단된다.

주요어: 임금상승, 동기부여, 직원 성과, 직원 유지, 직원 모집, 2-요인 이론, 위생요인, 동기부여 요소

학번: 2015-25106